

COMPREHENSIVE ANNUAL FINANCIAL REPORT

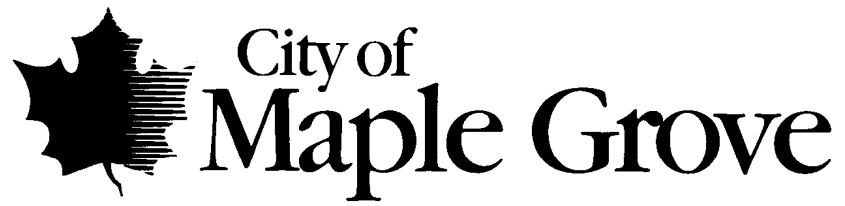
FOR THE YEAR ENDED DECEMBER 31, 2014

CITY OF MAPLE GROVE, MINNESOTA

PREPARED BY THE FINANCE DEPARTMENT

JAMES L. KNUTSON, DIRECTOR
STEVEN D. HAUER, ASSISTANT DIRECTOR

(MEMBER OF GOVERNMENT FINANCE OFFICER'S ASSOCIATION
OF THE UNITED STATES AND CANADA)



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INTRODUCTORY SECTION

City of Maple Grove, Minnesota
December 31, 2014
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*City of Maple Grove, Minnesota
Listing of City Officials
December 31, 2014*

ELECTED OFFICIALS

		<u>Term Expires</u>
Mayor	Mark Steffenson	12/31/2018
Councilmember	Erik Johnson	12/31/2016
Councilmember	Phil Leith	12/31/2018
Councilmember	LeAnn Sargent	12/31/2016
Councilmember	Karen Jaeger	12/31/2018

APPOINTED OFFICIALS

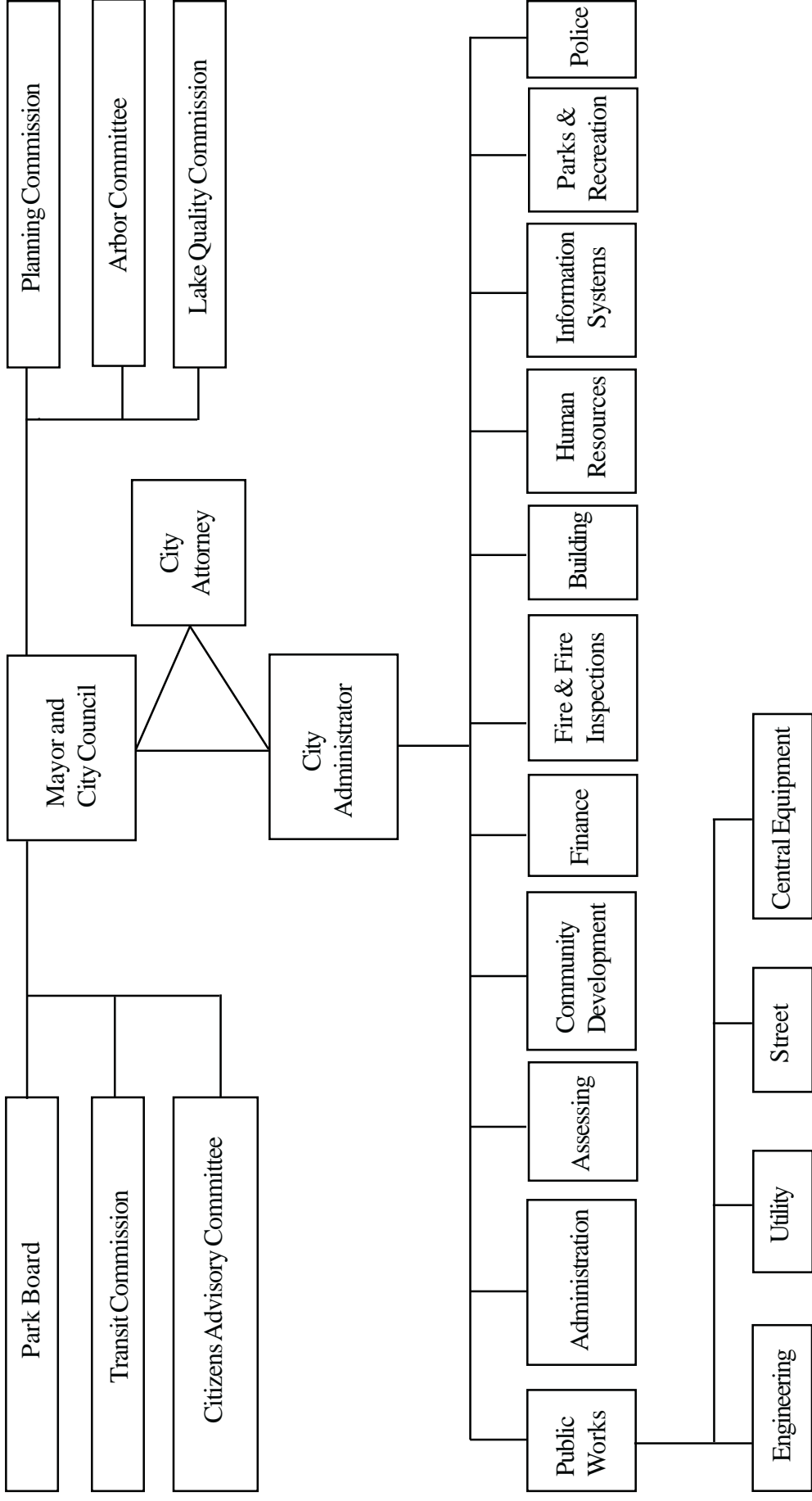
City Administrator	Alan A. Madsen
City Clerk	Alan A. Madsen
City Treasurer	James L. Knutson
City Attorney	George C. Hoff

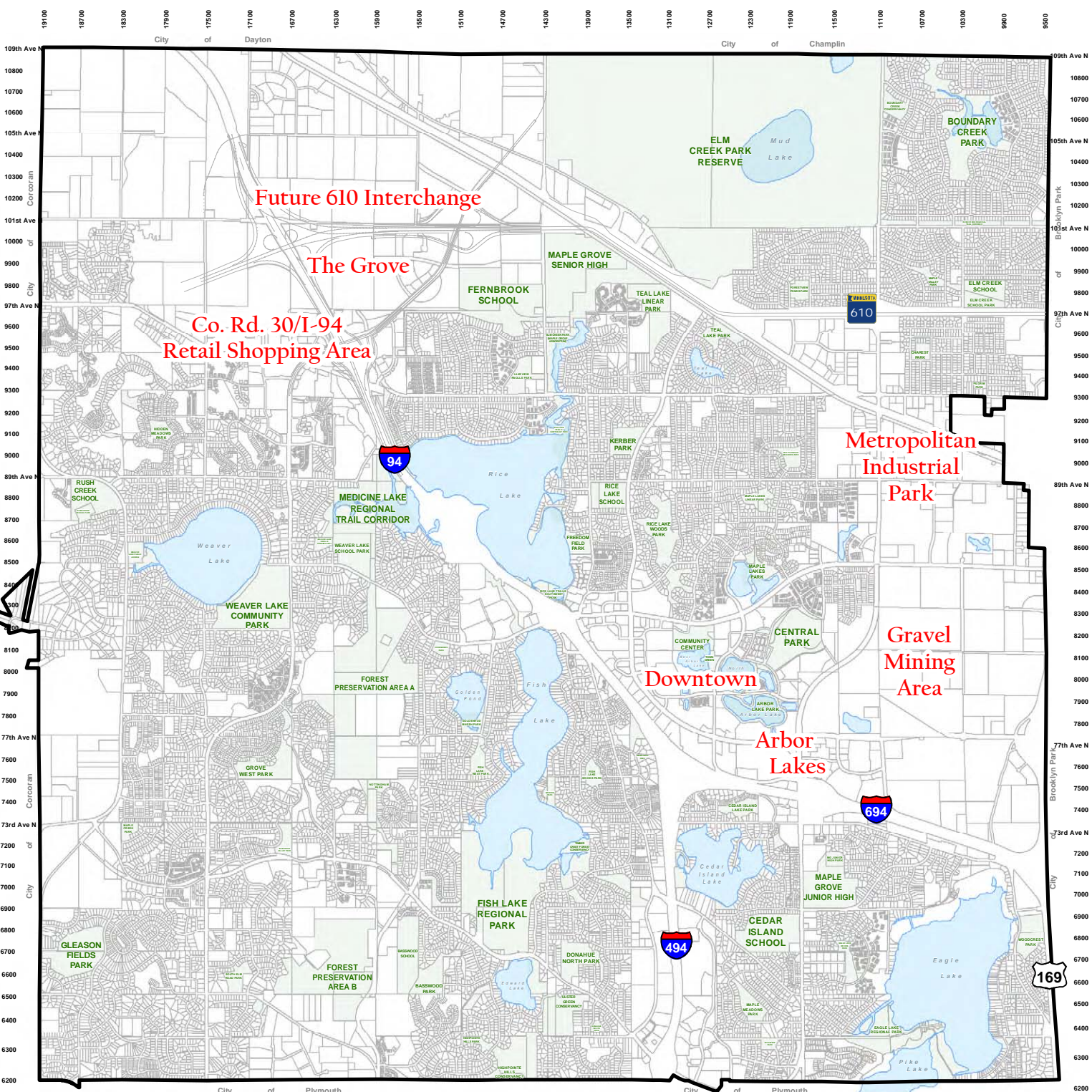
DEPARTMENT DIRECTORS

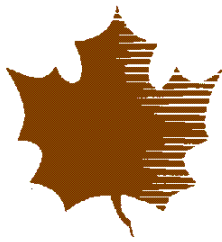
Administration / Information Systems	Alan A. Madsen
Assessor	Timothy S. Mitchell
Community Development	Richard A. Edwards
Public Works / City Engineer	Kenneth G. Ashfeld
Finance	James L. Knutson
Fire and Fire Inspections	Scott A. Anderson
Building Inspections	Richard K. Davidson
Human Resources	Ann Marie Shandley
Parks and Recreation	Terrence J. Just
Police	Eric T. Werner

City of Maple Grove

Organizational chart







City of Maple Grove

12800 Arbor Lakes Parkway, P.O. Box 1180, Maple Grove, MN 55311-6180
(763) 494-6000

May 4, 2015

The Honorable Mayor and Council Members
City of Maple Grove
Maple Grove, Minnesota 55311

Dear Mayor Steffenson and Members of the City Council:

The Comprehensive Annual Financial Report of the City of Maple Grove, Minnesota for the fiscal year ended December 31, 2014 is hereby submitted. The report was prepared in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board and meets the requirements of the State Auditor's Office.

The report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City has established internal controls designed to protect the City's assets from loss, theft or misuse and to provide sufficient reliable information for the preparation of these financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that, the financial statements will be free from material misstatements. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City of Maple Grove's financial statements have been audited by Eide Bailly LLP, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates used by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements, for the year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is present on page 1 of the financial section of this report.

Honorable Mayor and City Council
May 4, 2015

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found in the financial section of this report immediately following the report of the independent auditors.

Profile of Government

The City is a suburban community located 20 miles northwest of Minneapolis in Hennepin County. The City has a land area of 36 square miles and serves a population of approximately 65,218 residents. Maple Grove is currently the 10th largest city in the state. The City has excellent access to the Minneapolis-St. Paul metropolitan region via interstate highways I-94, I-494 and I-694.

The City operates under the Mayor-Council form of government. The governing council consists of the Mayor and four other Council members. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing members to the park board and various commissions, and hiring the City Administrator, heads of various departments and city employees. The City Administrator is responsible for carrying out the policies, directions and ordinances of the Council and for overseeing the day-to-day operations of the City. The Council is elected on a non-partisan at large basis. The Mayor is elected to serve a four-year term, while Council members serve four-year staggered terms, with two council members elected every two years.

The City provides a full range of services to its residents, including police and fire protection, the construction and maintenance of streets and other infrastructure, park and recreational activities, planning, zoning and inspection services, and transit services. The City also provides water and sewer services to residents and businesses.

The City is also financially accountable for the Housing and Redevelopment Authority (HRA), which is included in the City’s financial statement. Additional information on the HRA can be found in Note 1.A. in the notes to financial statements.

Honorable Mayor and City Council
May 4, 2015

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the Finance Director in July of each year. The Finance Director uses these requests as the starting point for developing a proposed budget. The Finance Director presents this proposed budget to the City Council for review prior to September 30th of each year. The City Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than December 28th of each year.

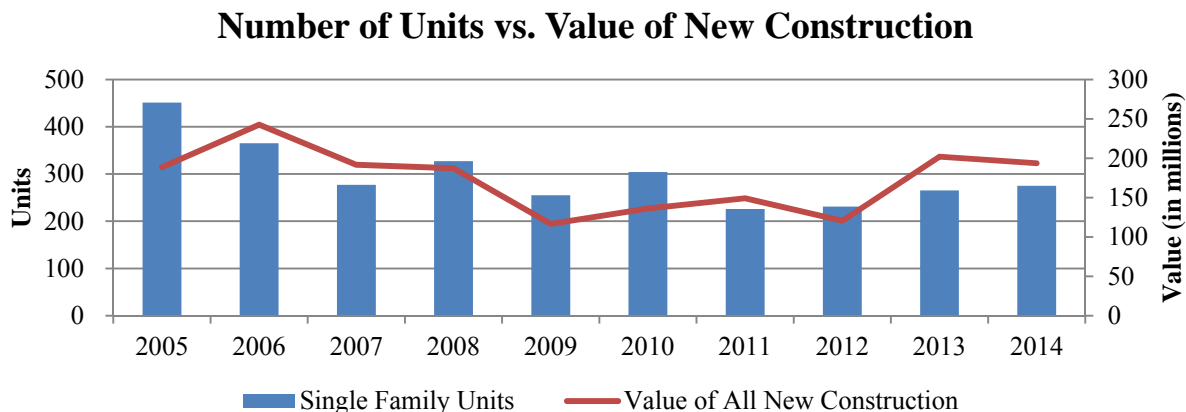
Department directors may make transfers of appropriations within a department. A transfer of appropriations between funds, however, requires approval of the City Council. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted. For the general fund, this comparison is presented on pages 21-25 as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with annual budgets, this comparison is presented in the combining and individual fund statements and schedules subsection of this report on pages 83-88.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Maple Grove operates.

Economic Condition and Outlook

The economic outlook for the City is certainly considered good, both in the immediate future and for the long term. The current forecast for the Twin Cities metropolitan area is for growth in population over the next 10-15 years. The City is poised to get a good share of both the residential and commercial/industrial growth. The Metropolitan Council has indicated that Maple Grove is projected to be one of the top five communities in the seven county metropolitan area for new housing starts through 2020. Current development patterns are validating that forecast.



Honorable Mayor and City Council
May 4, 2015

Residential and commercial/industrial construction continued to be strong, with total construction exceeding \$193.5 million. New construction of 275 single-family homes and 292 units in multi-unit dwellings added approximately \$106.3 million of new market value for the year. Non-residential activity continued to be strong, with about \$73.1 million of new construction started during 2014. An additional \$14.1 million in market value was added in the form of remodeling/additions to residential properties.

Construction has been ongoing for The Grove, a mixed use project area of 210 acres consisting of approximately 1.4 million square feet of high quality retail, medical, office and hospitality functions including a multi-story hospital. The Grove, which serves as a northwest gateway into the City, received approvals beginning in 2004. North Memorial Health Care and Fairview Health Services medical clinics opened in 2007 and the Maple Grove Hospital, located in The Grove development, opened in December, 2009. In 2012, the Maple Grove Hospital added 40 beds to its facility and this will give the hospital a total of 140 patient beds. These additional beds will be used for adult medicine and surgical beds and were completed at the end of 2012. The Grove Medical Plaza is located near the hospital and clinics and is a two-story building that houses medical offices with 42,000 square feet. The clinics, hospital and offices are located in The Grove development which also includes Home Depot and a Super Target. Austin Mutual Insurance Company opened its headquarters, a 49,600 square foot two story building and Eagle Community Bank, a 33,000 square foot two story building, in 2008 and Cambria Suites, a 129 unit four story hotel in The Grove, opened in 2009. In 2013, construction was completed on a 17,900 square foot Aldi grocery store in The Grove. In 2014, construction began on Grove Health West, a 41,800 square foot medical office building. Also in 2014, construction began on Park Nicollet Regional Specialty Center, an 85,000 square foot clinic and medical office building. Completion of both projects is anticipated to be fall of 2015.

The City's Gravel Mining Area (GMA), portions of which are actively being mined, is rapidly becoming an urban town center. The present core development of the GMA, known as "Arbor Lakes", is nearly complete. Arbor Lakes has added in excess of 1.5 million square feet of retail space, a three-story medical office building, Great River Energy corporate headquarters, a 125-unit rental housing development, and the Arbor Lakes Senior Living facility consisting of 157 units. In 2008, Great River Energy completed construction on a four-story, 167,000 square foot corporate headquarters facility for approximately 350 employees. The company has received Platinum LEED status and was the 14th company in the world of its size to do so. In May of 2010, Hennepin County completed construction of a new 40,000 square foot library with a parking ramp in the city's Town Green area. The new library is clearly in response to the need to accommodate a larger collection and handling increases in item usage for a growing community. In January 2012, Skye at Arbor Lakes received council approval to construct the first of two phases of a high-density multi-family community in the GMA. The Skye development's first phase, currently under construction, will include 259 rental units in a four-story building surrounding a four-story enclosed heated parking garage. This phase also includes a clubhouse, pool, small pavilion, playground and courtyards. The second phase received council approval in March of 2015 and will include a 208 unit four-story building, bringing the total number of units to 467. Completion of the second phase is anticipated to be in the fall of 2016. In March, 2014 construction was completed on a 276,000 square foot single

Honorable Mayor and City Council
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story Fed Ex package sort and distribution facility in the GMA. In March, 2014, Silver Crest Properties received council approval and 195 units of senior housing in the GMA is currently under construction with completion anticipated in the fall of 2015. In August 2014, Red Rock Business Park received council approval for a 319,000 square foot industrial business center and is currently under construction with completion anticipated in the fall of 2015.

The Gravel Mining Area Special Area Plan projects that approximately 4,500 dwelling units will occupy this central geographic area. Residential development to date has produced or created 2,255 units through construction and development approvals. That amount of housing adjacent to the Arbor Lakes retail areas will provide a good “core” for the developing “downtown” of Maple Grove. At this time, there remains approximately 3,300 acres (or 5 square miles) remaining for development within the City boundaries. The majority of that land is in the western, rural part of the City with approximately 1,000 acres remaining in the heart of the City. Depending on the final development patterns of the City, the final population of Maple Grove should be approximately 84,000 with employment of approximately 63,000.

Major Initiatives

Maple Grove is both a developing and evolving suburban community. On one hand, the City Council and its appointed commissions are planning the future development of approximately 5 square miles of vacant land within the City boundaries. At the same time, the City must continue to provide services for a growing population. Major initiatives in the City have taken one of two forms during the past year and will continue in the future. One is the continuing planning for the orderly expansion and development of the City. The second is providing a continually expanding range of services for the residents of the City.

The City has a number of expansion projects to meet the future needs of a developing suburban community. The City has expanded the water treatment plant and clearwell to handle the ultimate water demand of the City as well as providing water to neighboring communities. Expansion of the City’s public works garage was completed in June of 2012 and provides the space to service the final development of the City.

The park department is aggressively pursuing a construction program for trails and parks that will enhance an already extensive system of trails, neighborhood parks and athletic facilities. Neighborhood park (Maple Lakes) and an athletic facility (Gleason Fields) have recently been completed in new developments throughout the City. The Bandshell and Town Green area, located between the Government Center and the Community Center next to West Arbor Lake, opened in June, 2010. This project includes a bandshell with outdoor seating for 300, three pavilions with concession space, restrooms, and a rentable meeting facility for small gatherings. In 2010, the City acquired 20 acres in the Gravel Mining Area for park purposes located on Lakeview Avenue east of the Bridges neighborhood and west of the Arbor Lakes Senior facility. Construction of Central Park is currently underway with anticipated completion in fall of 2015. Central Park will include a 12,800 square foot park building, 2.5 acres of flat green space for community events, gardens, 200 foot diameter playground area, 810 foot long ice skating loop, pickle ball and basketball courts, and a mile trail

Honorable Mayor and City Council
May 4, 2015

around a pond. The 92,000 square foot Maple Grove Sports Dome opened to the public in November, 2011 and offers activities for baseball, softball, soccer, and lacrosse and has an indoor walking track. The City, along with the North Metro Crossing Coalition, has been working to secure Federal and State transportation funding for the final segment of Trunk Highway 610 (a four lane major east west freeway) through the northern half of the City. Funding was received from the American Recovery and Reinvestment Act for the construction of 2.7 miles of Highway 610 between Highway 169 and Hennepin County 81 in the City. All construction on this phase was completed in August, 2011. Planning and right of way acquisition continue for the remaining 2.5 miles with funding from the Met Council and the City. Funding was received for the remaining 2.5 miles and construction began in October, 2014 with anticipated completion in the summer of 2016.

The City is entering its twentieth year of the street rehabilitation program. The City has a fairly large reconstruction program for 2015 and 2016 with a number of large neighborhoods and numerous collector and commercial area streets. Financing for these projects will continue to be from a combination of annual levy, special assessments, and annual interest earnings from the Road Reconstruction Fund.

The City has always been one of the municipal leaders in the data processing area. Maple Grove is a member of the Local Government Information Systems (LOGIS), a consortium of forty-five Minnesota governmental units to provide data processing systems to its members. Over the last 5 years, LOGIS has replaced all of its major applications including police computer-aided dispatch and records management system, financial, payroll and human resources applications, the park and recreation systems, property data and permit applications, as well as the utility billing software. The City is in the process of installing a fiber optic network as part of a partnership with the Osseo school district.

The City has made a significant commitment to the youth of the community by working with the Osseo school district to share the cost of four police officers assigned full-time as a liaison between the City, the two junior high schools and the two senior high schools. The City's drug education effort has also greatly expanded through the nationally recognized DARE program in all Maple Grove elementary schools. That effort continues with participation in the program by all students in the second, fourth and sixth grades.

To facilitate a wide range of housing alternatives, the City presently has several different initiatives underway. Through its Housing and Redevelopment Authority (HRA), the city has been acquiring and rehabilitating sub-standard housing units. Since 1996, the City has successfully acquired and rehabilitated 28 sub-standard housing units. These units have had an extremely positive impact on the neighborhoods in which they are located, and all have been leased to low-income families. The HRA continues to look for one or two homes to purchase and rehabilitate each year. In addition, the Metropolitan Council has acquired 20 units throughout the City that are operated in the same manner as the City's program.

Honorable Mayor and City Council
May 4, 2015

The Maple Grove Transit Commission continues to provide transit service to residents of the City. Ridership continues to be extremely good with levels consistently exceeding 3,200 riders per day. Funding for transit operations is provided through the state motor vehicle excise tax (purchase of cars). A three level, 926-stall transit station opened adjacent to “the Shoppes at Arbor Lakes”. In 2010, the City acquired property adjacent to “The Grove” for a transit station. Phase I was completed in 2011 and provided a 500 stall surface park and ride lot, bus way, indoor station, and the footings and foundation for a future parking ramp. Phase II provided a one level structured parking ramp with an additional 475 stalls and was completed in June, 2014.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Maple Grove for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This is the 30th consecutive year the city has received this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

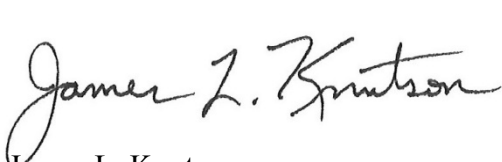
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

We would like to express our appreciation to all members of the Finance Department for their professional, efficient and dedicated service during the entire year. Specific recognition for the preparation of this report needs to go to Steve Hauer, Sheri Robertson, and Jamey Larson. They have prepared the majority of this report.

The Finance Department wishes to express our appreciation to the City Administrator and members of the City Council for their continued interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,



James L. Knutson
Finance Director



Alan A. Madsen
City Administrator



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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Maple Grove
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



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FINANCIAL SECTION



Independent Auditor's Report

To the Honorable Mayor and City Council
City of Maple Grove, Minnesota
Maple Grove, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Maple Grove, Minnesota (City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maple Grove, Minnesota, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress on pages 3 through 13 and page 61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of American, which consisted of inquires of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise the City of Maple Grove, Minnesota's financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2015 on our consideration of the City of Maple Grove, Minnesota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Maple Grove, Minnesota's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Minneapolis, Minnesota
May 4, 2015

**Management's Discussion
and Analysis**

City of Maple Grove, Minnesota

Management's Discussion and Analysis

As management of the City of Maple Grove, this section of the City's comprehensive annual financial report presents a discussion and analysis of the City's financial activities during the fiscal year ended December 31, 2014. This discussion and analysis should be read in conjunction with the letter of transmittal in the introductory section of this report.

Financial Highlights

- The assets of the City exceeded liabilities by \$614 million. Of this amount, \$291 million may be used to meet the City's ongoing obligations to citizens and creditors within the City's fund classifications and fund policies.
- The City's total net position increased by \$5,044,700.
- The City's governmental funds reported combined ending fund balances of \$175.2 million as of December 31, 2014. Of this total amount, approximately 60% is available for spending within the City's policies for committed, assigned and unassigned fund balances.
- As of December 31, 2014, unassigned fund balance for the General Fund was \$7.2 million, or 20.0% of the 2015 General Fund budget.

Overview of the Financial Statements

This discussion and analysis is intended to provide an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, and provide information about the activities of the City as a whole and present a long-term view of the City's finances.

Fund financial statements provide information about governmental activities by showing how these services were financed in the short-term as well as what remains for future spending. These statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining fund financial statements provide information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-59 of this report.

Reporting the City as a Whole

The analysis of the City as a whole begins with the Statement of Net Position and the Statement of Activities found on pages 15-16. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These statements report the City's Net Position and changes in them. The City's net position can be used as a way of measuring the City's financial health, or financial position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's tax base or the condition of the City's infrastructure to assess the overall health of the City.

Reporting the City's Most Significant Funds

The fund financial statements that begin on page 17 provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by State law or by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other revenues. The City's two kinds of funds each use different accounting approaches.

- **Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end are available for spending. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance city programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds in a reconciliation to each of the fund financial statements on pages 18 and 20. The basic governmental fund financial statements can be found on pages 17-25.
- **Proprietary funds** – When the City charges customers for the services it provides, whether to outside customers or units of the City, these services are generally reported in the proprietary funds. These funds are reported in the same manner that all activities are reported in the Statement of Net Position and Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detailed and additional information, such as

cash flows, for proprietary funds. The City uses internal funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities. The basic proprietary fund financial statements can be found on pages 27-30.

- The City uses fiduciary funds to account for resources held for the benefit of parties outside the government. These funds are not reflected in the government-wide statements because the resources of these funds are not available to support programs of the City. The accounting method used for fiduciary funds is similar to that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 31.
- Notes to financial statements – The notes provide additional information that is essential to fully understand the data provided in government-wide and governmental fund financial statements. The notes to the financial statements can be found on pages 33-59 of this report.
- Other information – The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor proprietary funds and internal service funds are presented immediately following the basic financial statements. Combining and individual fund statements and schedules can be found on pages 67-99 of this report.

Financial Analysis of the City as a Whole

City of Maple Grove's Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and other assets	\$ 284,748	\$ 306,129	\$ 64,207	\$ 66,170	\$ 348,955	\$ 372,299
Capital assets	<u>288,724</u>	<u>288,355</u>	<u>131,227</u>	<u>132,174</u>	<u>419,951</u>	<u>420,529</u>
Total assets	<u>573,472</u>	<u>594,484</u>	<u>195,434</u>	<u>198,344</u>	<u>768,906</u>	<u>792,828</u>
Deferred Outflows of Resources	<u>316</u>	<u>378</u>	<u>-</u>	<u>2</u>	<u>316</u>	<u>380</u>
Liabilities:						
Long-term liabilities	146,182	170,517	-	2,316	146,182	172,833
Other liabilities	<u>8,183</u>	<u>10,402</u>	<u>788</u>	<u>948</u>	<u>8,971</u>	<u>11,350</u>
Total liabilities	<u>154,365</u>	<u>180,919</u>	<u>788</u>	<u>3,264</u>	<u>155,153</u>	<u>184,183</u>
Net Position:						
Invested in capital assets	160,533	181,755	131,227	129,860	291,760	311,615
Restricted	31,084	74,921			31,084	74,921
Unrestricted	<u>227,806</u>	<u>157,267</u>	<u>63,419</u>	<u>65,222</u>	<u>291,225</u>	<u>222,489</u>
Total net position	<u>\$ 419,423</u>	<u>\$ 413,943</u>	<u>\$ 194,646</u>	<u>\$ 195,082</u>	<u>\$ 614,069</u>	<u>\$ 609,025</u>

City of Maple Grove's Changes in Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 11,130	\$ 10,477	\$ 14,214	\$ 14,847	\$ 25,344	\$ 25,324
Operating grants and contributions	4,795	3,147			4,795	3,147
Capital grants and contributions	20,119	26,106	2,898	3,345	23,017	29,451
General revenues:						
Property taxes	32,827	31,688			32,827	31,688
Other taxes	181	122			181	122
Grants and contributions	1	1			1	1
Other	696	35			696	35
Investment income	<u>5,460</u>	<u>(2,814)</u>	<u>1,961</u>	<u>(1,151)</u>	<u>7,421</u>	<u>(3,965)</u>
Total revenues	<u>75,209</u>	<u>68,762</u>	<u>19,073</u>	<u>17,041</u>	<u>94,282</u>	<u>85,803</u>
Expenses:						
General government	8,473	7,520			8,473	7,520
Community and economic development	2,029	1,804			2,029	1,804
Public safety	15,705	14,794			15,705	14,794
Public works	20,606	21,368			20,606	21,368
Park and recreation	13,621	6,242			13,621	6,242
Transit	5,259	5,369			5,259	5,369
Conservation of natural resources	564	612			564	612
Interest on long-term debt	4,228	4,592			4,228	4,592
Water			5,738	8,291	5,738	8,291
Sewer			6,722	6,391	6,722	6,391
Community center			3,924	3,783	3,924	3,783
Recycling			1,183	1,149	1,183	1,149
Street lighting			751	833	751	833
Sports dome			<u>435</u>	<u>402</u>	<u>435</u>	<u>402</u>
Total expenses	<u>70,485</u>	<u>62,301</u>	<u>18,753</u>	<u>20,849</u>	<u>89,238</u>	<u>83,150</u>
Change in net position before transfers	4,724	6,461	320	(3,808)	5,044	2,653
Internal transfers	<u>756</u>	<u>875</u>	<u>(756)</u>	<u>(875)</u>	<u>-</u>	<u>-</u>
Change in net position	5,480	7,336	(436)	(4,683)	5,044	2,653
Net position, January 1	<u>413,943</u>	<u>406,607</u>	<u>195,082</u>	<u>199,765</u>	<u>609,025</u>	<u>606,372</u>
Net position, December 31	<u>\$ 419,423</u>	<u>\$ 413,943</u>	<u>\$ 194,646</u>	<u>\$ 195,082</u>	<u>\$ 614,069</u>	<u>\$ 609,025</u>

Governmental Activities

Governmental activities net position increased by \$5.5 million, and accounts for 68% of the total net position of the City.

Revenues increased by \$6.4 million, or 9.4%, the key elements of this change are as follows:

Capital Grants and Contributions

- Special assessments collected from development projects in 2014 were \$1.8 million lower than in 2013.
- The City received \$1.0 million from the basketball association for the construction of a community gymnasium in 2014.
- The City received \$5.4 million from the Met Council for the construction of phase 2 of the Parkway Transit Station and \$1.3 million from the State for the widening of Zachary Lane in 2013.

Operating Grants and Contributions

- The City received a full year of motor vehicle excise tax (MVET) compared to a half of a year in 2013, an increase of \$1.5 million in 2014.

General Revenues

- The City adopted a slight increase in the property tax levy for 2014 of \$715,300.
- The City sold land for a senior housing development in 2014 for \$642,000.
- Investment income increased \$8.3 million in due to a stronger bond market in 2014.

Expenses increased by \$8.2 million, or 13.1% higher than last year; some of the key changes are as follows:

Overall

- An increase in operating expenses due to normal inflationary increases and a growth in a demand for services, of about \$1.2 million, or a 3.2% increase.

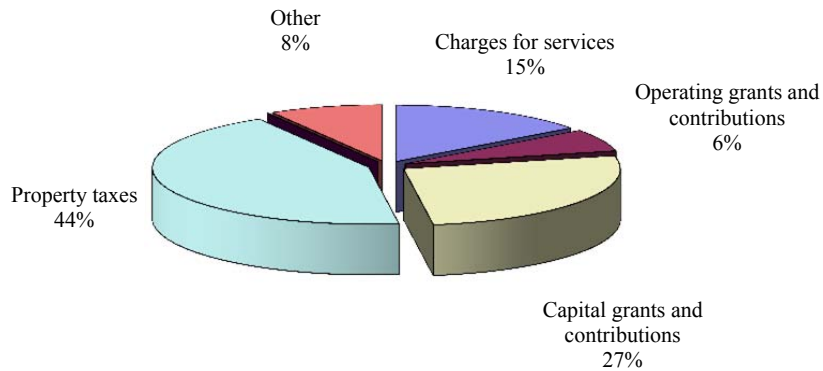
Public Works

- The decrease in expenses is related to costs for Trunk Highway 610 in 2013.

Park and Recreation

- During 2014 the City started construction of a new community gymnasium which will be owned by the school district, an increase in expenses of \$7.2 million in 2014.

Revenues by Source - Governmental Activities



Business-type Activities

Business-type activities decreased net position by approximately \$436,000, and accounts for 32% of the total net position of the City.

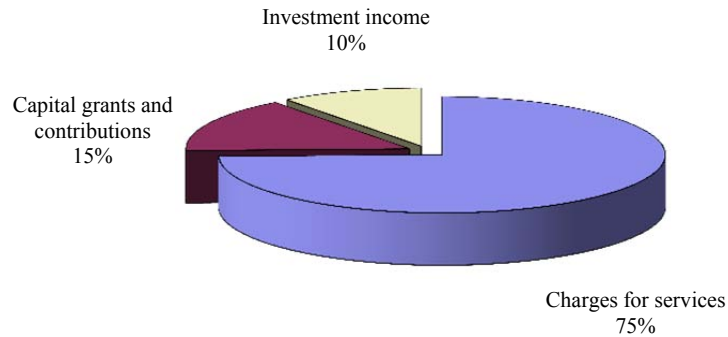
Revenues increased \$2.0 million in 2014 as compared to 2013, or 11.9% higher. The key elements making up this change are as follows:

- The slight decrease in water revenue \$538,500 in 2014 due to a rainier summer.
- A decrease of \$447,000 in connection fees and contributions from developers for water and sewer mains in developments assessed in 2014.
- Investment income increased \$3.1 million due to a stronger bond market during 2014.

Expenses decreased \$2.1 million, or 10.1% lower. The elements of this change are as follows:

- An increase in operating expenses due to normal inflationary increases and a growth in a demand for services, an increase of \$320,000, or 2.3%.
- A decrease in expenditures of \$2.5 million related to the replacement of approximately 16,000 water meters in 2013 with automatic meter reading technology.

Revenues by Source - Business-Type Activities



Financial Analysis of the City's Funds

Governmental Funds

The 2006A Improvement Bonds debt service fund had a decrease of \$1.2 million due to the repayment of the bonds.

The Trunk Street Construction Fund had an increase of \$3.4 million in fund balance due to the collection of special assessments related to the construction of collector roads.

The decrease of fund balance in the Community Resources fund was related to the purchase of a firearms training simulator and the City's share of a SWAT vehicle with the City of Plymouth.

The 2004B Road Reconstruction and Refunding Bonds Fund had a decrease in fund balance of \$4.9 million due to calling the bonds in 2014 and the remaining assets were transferred to the 2012A Road Reconstruction and Refunding Bonds fund.

The 2005A Road Reconstruction and Refunding Bonds Fund had a decrease in fund balance of \$2.1 million due to calling the bonds in 2014 and the remaining assets were transferred to the 2013D Refunding Bonds fund.

The 2005B Improvement Bonds Fund had a decrease in fund balance of \$4.1 million due to calling the bonds in 2014 and the remaining assets were transferred to the 2013D Refunding Bonds fund which had an increase in fund balance of \$399,200.

The 2006B Road Reconstruction Bonds Fund had an increase in fund balance of \$1.4 million due to the issuance of refunding bonds in 2014. The bonds will be called in 2017.

The 2007A Road Reconstruction Bonds Fund had an increase in fund balance of \$2.1 million due to the issuance of refunding bonds in 2014. The bonds will be called in 2017.

The 2010C Capital Improvement Plan Bond Fund had a decrease in fund balance of \$11.1 million due to calling the bonds in 2014 and the remaining assets were transferred to the 2013E Capital Improvement Plan Refunding Bonds fund which had an increase in fund balance of \$105,834.

The decrease in fund balance of \$883,500 in the 2013A Improvement Refunding Bonds Fund and \$118,800 in the 2013B Capital Improvement Plan Refunding Bonds Fund is due to bond payments in 2014.

The decrease in fund balance of \$3.3 million in the Capital Improvement Fund was related to the construction of a new community park (Central Park of Maple Grove).

The decrease in fund balance of \$3.9 million in the Long-Term Development Fund was related to the construction of a new community gymnasium at Maple Grove Junior High School and opened in January 2015.

The Transit Capital Improvement Fund had a decrease of \$1.0 million in fund balance due to the completion of a parking ramp at the Parkway Transit Station.

The Forest Preservation Fund was closed in 2014 and the remaining funds of \$919,000 were transferred to the Long-Term Development Fund.

The increase in fund balance in the 2012 Improvement Project Financing Fund of \$2.3 million is related to the collection of special assessments for residential and commercial improvement projects.

The decrease in fund balance in the 2013C Road Reconstruction Fund of \$500,000 is due the completion of road reconstruction projects in 2014.

The increase in fund balance in the 2013 Improvement Project Financing Fund of \$3.7 million is related to the collection of special assessments for residential and commercial improvement projects.

The decrease in fund balance in the 2014 Improvement Project Financing Fund of \$801,500 is due to construction costs for 2014 residential and commercial improvement projects that will be assessed for in 2015.

Proprietary Funds

The Water Fund experienced a decrease in net position of \$102,000, which was due to the completion of replacing approximately 16,000 water meters with wireless automatic meter reading technology. This will enable the City to automatically read the meters through a fixed network reading system.

General Fund Budgetary Highlights

The City did not make any supplemental appropriations during the year. However, at year-end the City Council made a number of transfers to finance capital projects that will be completed in the future. These transfers which were not budgeted are listed below:

Community Park PSA 23	\$3,150,000
Community Center Building Maintenance Reserve	300,000

General Fund fund balance increased approximately \$112,600 at year-end. Revenues and transfers were \$1.4 million more than budgeted, or 103.9% of the budget. This was due to an increase in licenses and permits for the year of \$956,300 and an increase in intergovernmental revenue of \$266,000. Expenditures and transfers were \$1.3 million more than budgeted for the year, or 103.6% of the budget, which was due to the transfers at year-end.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities at the end of the year amounts to \$419.9 million (net of accumulated depreciation). The investment in capital assets includes land, buildings, park facilities, equipment, streets, storm sewers and water and sewer mains. The total increase in the City's capital assets for the current fiscal year was \$0.6 million or 0.1% (a 0.1% increase for governmental activities and a 0.7% increase in business-type activities).

Major changes in capital assets during the current fiscal year included the following:

- Reconstruction of existing residential and collector streets, \$2.7 million.
- A variety of improvement projects (streets, storm sewers, and water and sewer lines) related to new residential and commercial developments in the City, \$9.0 million of which \$5.0 million was related to construction in progress from prior years.
- Rehabilitation of existing sanitary sewer mains, \$1.9 million.
- Construction of a parking ramp at the Parkway Transit Station, \$4.8 million of which \$3.9 million was related to construction in progress from 2013.

- Replacement of various City vehicles on the replacement schedule, \$1.9 million.
- The completion of two new City parks \$665,000 and the start of construction of a new community park (Central Park of Maple Grove) with work in progress of \$6.7 million.
- The State of Minnesota purchased land, which the City purchased for right-of-way for Trunk Highway 610 over the past twenty years. The cost of the land was \$726,700.
- Depreciation for 2014 was \$14.6 million for governmental activities and \$4.5 million for business-type activities.

City of Maple Grove's Capital Assets (net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and improvements	\$ 38,651	\$ 39,378	\$ 2,023	\$ 2,023	\$ 40,674	\$ 41,401
Park improvements	20,583	19,764			20,583	19,764
Park play structures	1,119	1,097			1,119	1,097
Buildings and improvements	49,697	46,523	15,026	15,933	64,723	62,456
Furniture and equipment	10,099	9,196	1,988	2,117	12,087	11,313
Infrastructure	157,920	159,829			157,920	159,829
Distribution systems			112,190	112,101	112,190	112,101
Construction in progress	<u>10,655</u>	<u>12,568</u>			<u>10,655</u>	<u>12,568</u>
Total capital assets	<u>\$288,724</u>	<u>\$288,355</u>	<u>\$131,227</u>	<u>\$132,174</u>	<u>\$419,951</u>	<u>\$420,529</u>

Additional information on the City's capital assets can be found in Note 4 – Capital Assets on pages 44-45 of this report.

Debt Administration

The City's total debt decreased by \$25.9 million during the current fiscal year after the payment of \$31.8 million in bonds due in 2014. Total bonds outstanding at the end of the year were \$127.8 million.

During the year, the City issued \$2.2 million of road reconstruction bonds to finance the cost of reconstructing various residential streets of the City.

The City also issued \$3.7 million of road reconstruction refunding bonds to refinance road reconstruction bonds callable in February 2017. The refinancing for the road reconstruction bonds will result in a decrease in future debt service payments of approximately \$407,700 over the next thirteen years.

City of Maple Grove's Outstanding Debt
Bonds Payable (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Special assessment bonds	\$ 62,275	\$ 68,730	\$ -	\$ -	\$ 62,275	\$ 68,730
General obligation bonds	65,575	82,720	-	-	65,575	82,720
Revenue bonds	-	-	-	2,315	-	2,315
Total bonds outstanding	<u>\$127,850</u>	<u>\$151,450</u>	<u>\$ -</u>	<u>\$ 2,315</u>	<u>\$127,850</u>	<u>\$153,765</u>

Additional information on the City's long-term debt can be found in Note 5 – Long-Term Debt on pages 46-50 of this report.

The City bond rating with Standard and Poor's is AAA.

Economic Factors and Next Year's Budgets

The City's elected officials considered many factors when setting the fiscal year 2015 budget and rates and fees that will be charged for the business-type activities. These factors include: 1) An increase in City property taxes on the average residential property of 2.9%, 2) the level of growth in the City to be the same in 2015, with new construction/remodeling/etc in the \$125-\$150 million range, 3) a slight increase in the population of approximately 2.0%, and 4) an inflationary factor of 2.5%.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those interested in the government's finances. If you have any questions about this report or need additional information, contact the City of Maple Grove Finance Department at 12800 Arbor Lakes Parkway, P.O. Box 1180, Maple Grove, MN 55311-6180, (763) 494-6000.



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**Government-Wide
Financial Statements**

City of Maple Grove, Minnesota

**Statement of Net Position
December 31, 2014**

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments in cash pool	\$ 167,771,491	\$ 58,405,927	\$ 226,177,418
Cash and investments not in pool	468,699	472,564	941,263
Cash and investments held with escrow agent	37,871,299	-	37,871,299
Interest receivable	520,807	190,763	711,570
Accounts receivable	391,708	2,885,523	3,277,231
Taxes receivable	356,802	-	356,802
Special assessments receivable	77,030,283	1,513,564	78,543,847
Intergovernmental receivable	256,485	-	256,485
Internal balances	(301,748)	301,748	-
Inventory	323,707	79,662	403,369
Prepaid items	58,763	357,660	416,423
Capital assets, net of accumulated depreciation:			
Land and improvements	38,651,370	2,023,369	40,674,739
Park improvements	20,582,860	-	20,582,860
Park play structures	1,118,572	-	1,118,572
Buildings and improvements	49,697,265	15,025,590	64,722,855
Furniture and equipment	10,099,178	1,988,243	12,087,421
Infrastructure	157,919,714	-	157,919,714
Distribution systems		112,189,960	112,189,960
Construction in progress	10,655,049	-	10,655,049
 Total assets	 <u>573,472,304</u>	 <u>195,434,573</u>	 <u>768,906,877</u>
 Deferred Outflows of Resources			
Loss on refunding bonds	<u>315,720</u>	<u>-</u>	<u>315,720</u>
 Liabilities			
Interest payable	1,919,688	-	1,919,688
Accounts payable	3,298,708	554,797	3,853,505
Accrued wages payable	1,114,881	124,882	1,239,763
Deposits	82,600	500	83,100
Unearned revenue	1,767,407	107,849	1,875,256
Noncurrent liabilities:			
Due within one year	9,721,590	-	9,721,590
Due in more than one year	136,460,339	-	136,460,339
 Total liabilities	 <u>154,365,213</u>	 <u>788,028</u>	 <u>155,153,241</u>
 Net Position			
Net investment in capital assets	160,532,853	131,227,162	291,760,015
Restricted for:			
Parks	110,725	-	110,725
Debt service	30,973,413	-	30,973,413
Unrestricted	<u>227,805,820</u>	<u>63,419,383</u>	<u>291,225,203</u>
 Total net position	 <u>\$ 419,422,811</u>	 <u>\$ 194,646,545</u>	 <u>\$ 614,069,356</u>

The notes to the financial statements are an integral part of this statement.

City of Maple Grove, Minnesota
Statement of Activities
For the Year Ended December 31, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/programs							
Governmental activities:							
General government	\$ 8,472,863	\$ 964,425	\$ 42,847		\$ (7,465,591)	\$	\$ (7,465,591)
Community and economic development	2,028,640	1,451,291	41,500		(535,849)		(535,849)
Public safety	15,705,473	3,474,194	1,252,263		(10,979,016)		(10,979,016)
Public works	20,606,514	1,651,394	690,681	\$ 18,122,662	(141,777)		(141,777)
Parks and recreation	13,621,308	1,500,805	5,000	1,785,245	(10,330,258)		(10,330,258)
Transit	5,258,910	2,087,636	2,762,859	211,427	(196,988)		(196,988)
Conservation of natural resources	563,653				(563,653)		(563,653)
Interest on long-term debt	4,227,793				(4,227,793)		(4,227,793)
Total governmental activities	70,485,154	11,129,745	4,795,150	20,119,334	(34,440,925)		(34,440,925)
Business-type activities:							
Water	5,737,648	3,844,367		1,931,347		\$ 38,066	38,066
Sewer	6,722,073	5,593,061		967,431		(161,581)	(161,581)
Community center	3,923,424	2,571,706				(1,351,718)	(1,351,718)
Recycling	1,183,334	1,065,989				(117,345)	(117,345)
Street lighting	751,050	785,419				34,369	34,369
Sports dome	435,308	353,345				(81,963)	(81,963)
Total business-type activities	18,752,837	14,213,887		2,898,778		(1,640,172)	(1,640,172)
Total government	\$ 89,237,991	\$ 25,343,632	\$ 4,795,150	\$ 23,018,112	(34,440,925)	(1,640,172)	(36,081,097)
General revenues:							
Property taxes levied for general purpose					30,579,940		30,579,940
Property taxes levied for debt service					1,717,099		1,717,099
Property taxes levied for housing and redevelopment					149,453		149,453
Property taxes from tax increments					380,901		380,901
Other taxes					181,580		181,580
Grants and contributions not restricted to specific programs					505		505
Investment income					5,460,003	1,960,731	7,420,734
Gain on sale of capital assets					695,586		695,586
Internal transfers					756,250	(756,250)	-
Total general revenues and internal transfers					39,921,317	1,204,481	41,125,798
Change in net position					5,480,392	(435,691)	5,044,701
Net position, January 1					413,942,419	195,082,236	609,024,655
Net position, December 31					\$ 419,422,811	\$ 194,646,545	\$ 614,069,356

The notes to the financial statements are an integral part of this statement.

Fund

Financial Statements

City of Maple Grove, Minnesota

**Balance Sheet
Governmental Funds
December 31, 2014**

	General	2006 Series A Improvement Bonds	Road Reconstruction	Trunk Street Construction	Other Governmental Funds	Total
Assets						
Cash and investments in cash pool	\$ 8,786,200	\$ 4,491,201	\$ 22,216,357	\$ 33,969,201	\$ 71,982,554	\$ 141,445,513
Cash and investments not in pool					468,699	468,699
Cash and investments held with escrow agent		26,372,792			11,498,507	37,871,299
Interest receivable	13,075	12,177	72,558	99,843	239,034	436,687
Accounts receivable	156,070			100,508	132,845	389,423
Taxes receivable	324,288		12,623		19,891	356,802
Special assessments receivable	10,490	36,253,924	542,255	21,381,810	18,841,804	77,030,283
Intergovernmental receivable	37,799				218,686	256,485
Due from other funds	283,527				-	283,527
Prepaid items	45,448				12,436	57,884
Total assets	<u>\$ 9,656,897</u>	<u>\$ 67,130,094</u>	<u>\$ 22,843,793</u>	<u>\$ 55,551,362</u>	<u>\$ 103,414,456</u>	<u>\$ 258,596,602</u>
Liabilities and Fund Balances						
Liabilities:						
Interest payable					\$ 2,683	\$ 2,683
Accounts payable	\$ 630,111		\$ 9,518	\$ 526,616	1,696,471	2,862,716
Accrued wages payable	739,794				149,200	888,994
Deposits					82,600	82,600
Due to other funds	300,000				285,275	585,275
Unearned revenue	505,063				1,262,344	1,767,407
Total liabilities	<u>2,174,968</u>		<u>9,518</u>	<u>526,616</u>	<u>3,478,573</u>	<u>6,189,675</u>
Deferred Inflows of Resources:						
Unavailable revenue - taxes	214,572		8,805		13,912	237,289
Unavailable revenue - special assessments	10,490	\$ 36,253,924	542,255	21,363,765	18,840,285	77,010,719
Total deferred inflows of resources	<u>225,062</u>	<u>36,253,924</u>	<u>551,060</u>	<u>21,363,765</u>	<u>18,854,197</u>	<u>77,248,008</u>
Fund Balances:						
Nonspendable	45,448				12,436	57,884
Restricted		30,876,170			39,371,769	70,247,939
Committed			22,283,215		17,681,409	39,964,624
Assigned				33,660,981	24,817,591	58,478,572
Unassigned	7,211,419				(801,519)	6,409,900
Total fund balances	<u>7,256,867</u>	<u>30,876,170</u>	<u>22,283,215</u>	<u>33,660,981</u>	<u>81,081,686</u>	<u>175,158,919</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,656,897</u>	<u>\$ 67,130,094</u>	<u>\$ 22,843,793</u>	<u>\$ 55,551,362</u>	<u>\$ 103,414,456</u>	<u>\$ 258,596,602</u>

The notes to the financial statements are an integral part of this statement

City of Maple Grove, Minnesota

***Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
Governmental Funds
December 31, 2014***

Total fund balances - governmental funds \$ 175,158,919

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.

Capital assets	435,610,205
Less accumulated depreciation	(154,744,373)

Other long-term assets not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.	77,248,008
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Internal service funds are used by the City to charge the costs of certain activities, such as vehicle maintenance, replacement of City vehicles and equipment, and employee benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	29,539,655
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds payable	(127,850,000)
Bond premium	(6,195,323)
Bond discount	438,486
Deferred unamortized refunding costs	315,720
Accrued interest	(1,917,005)
Family housing loans	(200,000)
NSP2 loan	(186,292)
HOME loans	(1,186,746)
Metropolitan Council - RALF loans	(4,966,959)
Net OPEB liability	(1,641,484)

Net position of governmental activities	<u>\$ 419,422,811</u>
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The notes to the financial statements are an integral part of this statement.

City of Maple Grove, Minnesota

**Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2014**

	General	2006 Series A Improvement Bonds	Road Reconstruction	Trunk Street Construction	Other Governmental Funds	Total
Revenues						
Property taxes	\$ 29,425,617		\$ 1,193,188		\$ 1,866,552	\$ 32,485,357
Tax increments					380,901	380,901
Special assessments		\$ 2,222,628	64,254	\$ 2,749,943	12,156,393	17,193,218
Licenses, permits and fees	3,375,314				637,445	4,012,759
Intergovernmental revenue	1,689,161			1,420,375	3,276,677	6,386,213
Charges for services	861,831				4,719,064	5,580,895
Fines and forfeits	505,817				16,000	521,817
Investment income	136,307	126,953	741,626	1,040,884	2,537,267	4,583,037
Other	97,045	400	450,000	709,317	2,890,708	4,147,470
Total revenues	36,091,092	2,349,981	2,449,068	5,920,519	28,481,007	75,291,667
Expenditures						
Current:						
General government	6,787,104				54,946	6,842,050
Community and economic development	594,132				593,708	1,187,840
Public safety	14,982,210				562,564	15,544,774
Public works	5,467,206					5,467,206
Conservation of natural resources	563,653					563,653
Parks and recreation					5,449,568	5,449,568
Transit					4,445,618	4,445,618
Miscellaneous	112,700				5,251	117,951
Interest					171,532	171,532
Capital outlay			210,967	1,856,275	24,027,926	26,095,168
Debt service:						
Principal retirement		1,850,000			6,295,963	8,145,963
Interest and fiscal fees		1,675,150			3,205,323	4,880,473
Bond issuance costs					73,260	73,260
Total expenditures	28,507,005	3,525,150	210,967	1,856,275	44,885,659	78,985,056
Excess (deficiency) of revenues over expenditures	7,584,087	(1,175,169)	2,238,101	4,064,244	(16,404,652)	(3,693,389)
Other Financing Sources (Uses)						
Bonds issued					2,205,000	2,205,000
Refunding bonds issued					3,710,000	3,710,000
Premium on bonds issued					47,050	47,050
Refunded principal retirement					(21,840,000)	(21,840,000)
Sale of capital assets					1,369,660	1,369,660
Transfers in	564,792				14,293,947	14,858,739
Transfers out	(8,036,250)		(1,450,120)	(700,000)	(3,995,669)	(14,182,039)
Total other financing sources (uses)	(7,471,458)		(1,450,120)	(700,000)	(4,210,012)	(13,831,590)
Net change in fund balances	112,629	(1,175,169)	787,981	3,364,244	(20,614,664)	(17,524,979)
Fund balances, January 1	7,144,238	32,051,339	21,495,234	30,296,737	101,696,350	192,683,898
Fund balance, December 31	\$ 7,256,867	\$ 30,876,170	\$ 22,283,215	\$ 33,660,981	\$ 81,081,686	\$ 175,158,919

The notes to the financial statements are an integral part of this statement.

City of Maple Grove, Minnesota

***Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2014***

Net change in fund balances - total governmental funds	\$ (17,524,979)
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Amounts reported for governmental activities in the statement of net assets are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	13,817,670
Depreciation expense	(13,639,364)

The proceeds from the sale of capital assets are reported as revenue (as a special item) in the governmental funds. However, the cost of the capital assets sold is removed from the capital assets account in the statement of assets and offset against the sale proceeds resulting in a gain or (loss) in the statement of activities.

Cost of capital assets sold	(726,703)
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net assets. This is the amount by which repayments

Bonds issued	(5,915,000)
Premium on bonds issued	(47,050)
Bond principal repayments	29,515,000
Loan principal retirements - RALF	470,963

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,654,923)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest	170,744
Amortization of bond premiums	615,330
Amortization of bond discounts	(71,285)
Amortization of deferred refunding unamortized charges	(62,109)
Net OPEB liability	(285,108)

Internal service funds are used by the City to charge the costs of certain activities, such as vehicle maintenance, replacement of City vehicles and equipment, and employee benefits to individual funds. The net revenue (expense) of the internal service funds is reported in governmental activities.

	817,206
Change in net assets of governmental activities	<u>\$ 5,480,392</u>

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014**

	Original	Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes				
Current	\$ 29,415,800	\$ 29,415,800	\$ 29,263,750	\$ (152,050)
Delinquent	-	-	(19,713)	(19,713)
Gravel tax reimbursement	20,000	20,000	52,570	32,570
Interest and penalties	45,000	45,000	88,349	43,349
Payment in lieu of taxes	18,000	18,000	19,464	1,464
Other	-	-	21,197	21,197
Total property taxes	29,498,800	29,498,800	29,425,617	(73,183)
Licenses, permits and fees				
Liquor and beer licenses	310,000	310,000	332,773	22,773
Building permits	1,470,000	1,470,000	1,910,249	440,249
Plumbing and heating permits	300,000	300,000	509,779	209,779
Electrical permits	110,000	110,000	162,244	52,244
Excavating licenses and permits	8,200	8,200	30,924	22,724
Water and sewer permits	21,000	21,000	42,138	21,138
Gravel and blacktop permits	40,000	40,000	38,809	(1,191)
Refuse haulers licenses	3,200	3,200	3,775	575
Amusement licenses	5,000	5,000	4,875	(125)
Sign permits	9,000	9,000	12,180	3,180
Overweight permits	1,500	1,500	8,258	6,758
Animal licenses and fees	5,000	5,000	12,016	7,016
Rental license fees	95,000	95,000	179,693	84,693
Fire permits	25,000	25,000	88,047	63,047
Miscellaneous licenses and permits	16,100	16,100	39,554	23,454
Total licenses, permits and fees	2,419,000	2,419,000	3,375,314	956,314
Intergovernmental revenue				
Homestead market value credit	-	-	15	15
Police state aid	451,000	451,000	507,706	56,706
Fire state aid	290,000	290,000	376,798	86,798
Municipal state aid streets	400,000	400,000	400,000	-
Other aid and grants	282,000	282,000	404,642	122,642
Total intergovernmental revenue	1,423,000	1,423,000	1,689,161	266,161
Charges for services				
Planning department fees	25,000	25,000	48,080	23,080
Engineering fees and platting	9,000	9,000	10,061	1,061
Inspection and other fees	8,100	8,100	14,878	6,778
Police and fire department charges	27,400	27,400	89,730	62,330
Assessing department charges	500	500	1,075	575
Weed and tree charges	1,500	1,500	12,068	10,568
Street department charges	18,000	18,000	52,152	34,152
Improvement project charges	690,000	690,000	632,912	(57,088)
Street sign charges	2,000	2,000	875	(1,125)
Total charges for services	781,500	781,500	861,831	80,331

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues (continued)				
Fines and forfeits	\$ 420,000	\$ 420,000	\$ 505,817	\$ 85,817
Other				
Property sales and rental	2,000	2,000	2,604	604
Investment income	100,000	100,000	136,307	36,307
Other	51,000	51,000	94,441	43,441
Total other	153,000	153,000	233,352	80,352
Total revenues	34,695,300	34,695,300	36,091,092	1,395,792
Expenditures				
General government				
Mayor and council				
Personal services	74,100	74,100	70,999	3,101
Supplies and other services	130,200	130,200	106,157	24,043
Total mayor and council	204,300	204,300	177,156	27,144
Administration				
Personal services	614,300	614,300	493,493	120,807
Supplies and other services	156,400	156,400	116,891	39,509
Capital outlay	-	-	2,230	(2,230)
Total administration	770,700	770,700	612,614	158,086
City clerk/election				
Personal services	268,400	268,400	273,882	(5,482)
Supplies and other services	83,800	83,800	63,587	20,213
Total city clerk/election	352,200	352,200	337,469	14,731
Human resources				
Personal services	333,300	333,300	337,882	(4,582)
Supplies and other services	78,000	78,000	50,905	27,095
Total human resources	411,300	411,300	388,787	22,513
Finance				
Personal services	868,400	868,400	835,723	32,677
Supplies and other services	72,300	72,300	69,565	2,735
Total finance	940,700	940,700	905,288	35,412
Insurance				
Personal services	31,000	31,000	15,790	15,210
Supplies and other services	247,000	247,000	210,016	36,984
Total insurance	278,000	278,000	225,806	52,194
Legal	420,000	420,000	410,841	9,159

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued)				
General government (continued)				
Assessing				
Personal services	\$ 1,028,400	\$ 1,028,400	\$ 906,605	\$ 121,795
Supplies and other services	63,000	63,000	40,720	22,280
Capital outlay	10,200	10,200	10,200	-
Total assessing	1,101,600	1,101,600	957,525	144,075
Information systems				
Personal services	597,100	597,100	600,146	(3,046)
Supplies and other services	689,000	689,000	691,740	(2,740)
Capital outlay	203,000	203,000	199,676	3,324
Total data processing	1,489,100	1,489,100	1,491,562	(2,462)
Government buildings				
Personal services	267,500	267,500	229,220	38,280
Supplies and other services	941,200	941,200	988,702	(47,502)
Capital outlay	102,600	102,600	62,134	40,466
Total government buildings	1,311,300	1,311,300	1,280,056	31,244
Total general government	7,279,200	7,279,200	6,787,104	492,096
Community and economic development				
Personal services	578,900	578,900	567,337	11,563
Supplies and other services	28,100	28,100	21,395	6,705
Capital outlay	5,400	5,400	5,400	-
Total community and economic development	612,400	612,400	594,132	18,268
Public safety				
Police protection				
Personal services	8,153,600	8,153,600	8,044,862	108,738
Supplies and other services	1,025,700	1,025,700	877,928	147,772
Capital outlay	415,300	415,300	396,168	19,132
Total police protection	9,594,600	9,594,600	9,318,958	275,642
Fire protection and inspections				
Personal services	2,214,400	2,214,400	2,204,428	9,972
Supplies and other services	517,300	517,300	466,850	50,450
Capital outlay	459,200	459,200	472,319	(13,119)
Total fire protection and inspections	3,190,900	3,190,900	3,143,597	47,303
Building inspection				
Personal services	1,609,900	1,609,900	1,563,080	46,820
Supplies and other services	146,000	146,000	116,563	29,437
Capital outlay	27,600	27,600	27,600	-
Total building inspection	1,783,500	1,783,500	1,707,243	76,257

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued)				
Public safety (continued)				
Detention				
Personal services	\$ 288,400	\$ 288,400	\$ 158,165	\$ 130,235
Supplies and other services	113,800	113,800	72,367	41,433
Capital outlay	6,000	6,000	-	6,000
Total detention	408,200	408,200	230,532	177,668
Emergency preparedness				
Personal services	26,700	26,700	26,544	156
Supplies and other services	41,900	41,900	35,332	6,568
Capital outlay	26,300	26,300	36,500	(10,200)
Total emergency preparedness	94,900	94,900	98,376	(3,476)
Community service				
Personal services	485,000	485,000	357,133	127,867
Supplies and other services	131,800	131,800	96,371	35,429
Capital outlay	30,000	30,000	30,000	-
Total community service	646,800	646,800	483,504	163,296
Total public safety	15,718,900	15,718,900	14,982,210	736,690
Public works				
Engineering				
Personal services	1,192,400	1,192,400	922,396	270,004
Supplies and other services	84,900	84,900	92,785	(7,885)
Capital outlay	25,500	25,500	30,413	(4,913)
Total engineering	1,302,800	1,302,800	1,045,594	257,206
Street maintenance				
Personal services	1,828,400	1,828,400	1,663,663	164,737
Supplies and other services	2,096,200	2,096,200	2,064,883	31,317
Capital outlay	450,600	450,600	417,864	32,736
Total street maintenance	4,375,200	4,375,200	4,146,410	228,790
Traffic control				
Personal services	172,900	172,900	95,210	77,690
Supplies and other services	187,200	187,200	132,745	54,455
Capital outlay	60,000	60,000	31,794	28,206
Total traffic control	420,100	420,100	259,749	160,351
Weed control				
Personal services	13,600	13,600	10,014	3,586
Supplies and other services	4,600	4,600	5,439	(839)
Total weed control	18,200	18,200	15,453	2,747
Total public works	6,116,300	6,116,300	5,467,206	649,094

The notes to the financial statements are an integral part of this statement.

**Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014**

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Expenditures (continued)				
Conservation of natural resources				
Forest management				
Personal services	\$ 77,000	\$ 77,000	\$ 78,598	\$ (1,598)
Supplies and other services	10,800	10,800	7,425	3,375
Capital outlay	5,000	5,000	1,880	3,120
Total forest management	92,800	92,800	87,903	4,897
Water resources				
Personal services	239,800	239,800	235,066	4,734
Supplies and other services	239,500	239,500	227,177	12,323
Capital outlay	-	-	13,507	(13,507)
Total water resources	479,300	479,300	475,750	3,550
Total conservation of natural resources	572,100	572,100	563,653	8,447
Other				
Community action	119,500	119,500	112,700	6,800
Total other	119,500	119,500	112,700	6,800
Total expenditures	30,418,400	30,418,400	28,507,005	1,911,395
Excess of revenues over expenditures	4,276,900	4,276,900	7,584,087	3,307,187
Other financing sources (uses)				
Operating transfers in	575,000	575,000	564,792	(10,208)
Operating transfers out	(4,851,900)	(4,851,900)	(8,036,250)	(3,184,350)
Total other financing sources (uses)	(4,276,900)	(4,276,900)	(7,471,458)	(3,194,558)
Net change in fund balance	-	-	112,629	112,629
Fund balance, January 1	7,144,238	7,144,238	7,144,238	-
Fund balance, December 31	\$ 7,144,238	\$ 7,144,238	\$ 7,256,867	\$ 112,629

The notes to the financial statements are an integral part of this statement.



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City of Maple Grove, Minnesota

**Statement of Net Position
Proprietary Funds
December 31, 2014**

	Water Utility Fund	Sewer Utility Fund	Community Center Fund	Other Proprietary Funds	Totals	Governmental Activities - Internal Service Funds
Assets						
Current assets						
Cash and investments in cash pool	\$ 28,157,003	\$ 25,925,362	\$ 2,100,000	\$ 2,223,562	\$ 58,405,927	\$ 26,325,978
Cash and investments not in pool			340,433	132,131	472,564	-
Interest receivable	90,805	85,909	6,778	7,271	190,763	84,120
Accounts receivable	809,327	1,489,068	110,190	476,938	2,885,523	2,285
Special assessments receivable	836,469	677,095			1,513,564	-
Due from other funds	1,748		300,000		301,748	-
Inventory	31,703		47,959		79,662	323,707
Prepaid expense	7,644	350,016			357,660	879
Total current assets	29,934,699	28,527,450	2,905,360	2,839,902	64,207,411	26,736,969
Noncurrent assets						
Capital assets:						
Land improvements				2,023,369	2,023,369	-
Building			22,592,648	2,725,615	25,318,263	-
Equipment	1,590,237	346,934	1,689,377	76,148	3,702,696	17,531,422
Distribution systems	89,979,290	85,005,148			174,984,438	-
Less accumulated depreciation	(31,486,196)	(31,762,231)	(11,054,821)	(498,356)	(74,801,604)	(9,673,246)
Total noncurrent assets	60,083,331	53,589,851	13,227,204	4,326,776	131,227,162	7,858,176
Total assets	90,018,030	82,117,301	16,132,564	7,166,678	195,434,573	34,595,145
Liabilities						
Current liabilities						
Interest payable						
Accounts payable	126,658	150,349	105,708	172,082	554,797	435,992
Accrued wages payable	45,944	10,762	61,023	7,153	124,882	225,887
Deposits			500		500	-
Unearned revenue			107,849		107,849	-
Current portion of compensated absences					-	450,000
Total current liabilities	172,602	161,111	275,080	179,235	788,028	1,111,879
Noncurrent liabilities						
Compensated absences					-	3,943,611
Total liabilities	172,602	161,111	275,080	179,235	788,028	5,055,490
Net Position						
Net investment in capital assets	60,083,331	53,589,851	13,227,204	4,326,776	131,227,162	7,858,176
Unrestricted	29,762,097	28,366,339	2,630,280	2,660,667	63,419,383	21,681,479
Total net position	\$ 89,845,428	\$ 81,956,190	\$ 15,857,484	\$ 6,987,443	\$ 194,646,545	\$ 29,539,655

The notes to the financial statements are an integral part of this statement.

City of Maple Grove, Minnesota

**Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2014**

	Water Utility Fund	Sewer Utility Fund	Community Center Fund	Other Proprietary Funds	Totals	Governmental Activities - Internal Service Funds
Operating revenues						
Charges for services	\$ 3,776,889	\$ 5,382,666	\$ 2,571,436	\$ 1,994,185	\$ 13,725,176	\$ 8,236,651
Intergovernmental				188,793	188,793	-
Other revenue	67,478	210,395	270	21,775	299,918	96,778
Total operating revenues	3,844,367	5,593,061	2,571,706	2,204,753	14,213,887	8,333,429
Operating expenses						
Personal services	1,174,423	313,407	1,595,656	124,687	3,208,173	4,351,809
Supplies	372,718	32,183	153,953	7,391	566,245	612,818
Professional services	182,841	29,001	59,226	1,020	272,088	24,680
Water meters/merchandise	135,541		196,091		331,632	-
Repairs and maintenance	578,406	238,368	395,004	98,407	1,310,185	657,137
Depreciation	1,852,119	1,674,757	822,204	163,604	4,512,684	1,004,793
Equipment reimbursement	49,600	60,000	35,000	500	145,100	4,200
Insurance	69,280	73,760	17,064	9,252	169,356	602,005
Waste treatment charges		4,137,106			4,137,106	-
Utilities	576,441	33,323	541,617	1,964,556	3,115,937	-
Computer service	102,306	102,307	3,423		208,036	21,705
Other expenses	637,911	27,861	104,186	275	770,233	261,620
Total operating expenses	5,731,586	6,722,073	3,923,424	2,369,692	18,746,775	7,540,767
Operating income (loss)	(1,887,219)	(1,129,012)	(1,351,718)	(164,939)	(4,532,888)	792,662
Nonoperating revenue (expense)						
Investment income	946,660	895,624	44,851	73,596	1,960,731	876,966
Interest expense	(6,062)				(6,062)	-
Gain on sale of assets					-	52,629
Total nonoperating revenue (expense)	940,598	895,624	44,851	73,596	1,954,669	929,595
Income (loss) before contributions and transfers	(946,621)	(233,388)	(1,306,867)	(91,343)	(2,578,219)	1,722,257
Contributions - connection fees	1,025,875	298,161			1,324,036	-
Capital contributions - development	905,472	669,270			1,574,742	-
Transfers in			1,024,000		1,024,000	87,465
Transfers out	(1,086,550)	(671,000)	(12,000)	(10,700)	(1,780,250)	(992,516)
Change in net position	(101,824)	63,043	(294,867)	(102,043)	(435,691)	817,206
Total net position as restated, January 1	89,947,252	81,893,146	16,152,352	7,089,486	195,082,236	28,722,449
Total net position, December 31	\$ 89,845,428	\$ 81,956,189	\$ 15,857,485	\$ 6,987,443	\$ 194,646,545	\$ 29,539,655

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Water Utility Fund	Sewer Utility Fund	Community Center Fund	Other Proprietary Funds	Totals	Governmental Activities - Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 3,866,724	\$ 5,286,701	\$ 2,581,218	\$ 1,959,008	\$ 13,693,651	\$ 8,236,651
Payments to vendors	(2,889,788)	(4,695,399)	(1,537,078)	(2,066,428)	(11,188,693)	(2,300,703)
Payments to employees	(1,163,155)	(309,787)	(1,587,814)	(122,644)	(3,183,400)	(3,971,020)
Other receipts	158,323	347,855	270	210,568	717,016	109,014
Net cash provided (used) by operating activities	(27,896)	629,370	(543,404)	(19,496)	38,574	2,073,942
Cash flows from investing activities						
Investment income	953,627	900,944	43,404	73,736	1,971,711	873,410
Cash flows from capital financing and related financing activities						
Acquisition of equipment	(92,642)	(1,898,387)			(1,991,029)	(2,888,905)
Contributions from developers and residents	1,025,875	298,161			1,324,036	-
Principal paid on revenue bonds	(2,315,000)				(2,315,000)	-
Interest paid on revenue bonds	(30,050)				(30,050)	-
Proceeds from sale of equipment					-	52,629
Net cash provided (used) by capital financing activities	(1,411,817)	(1,600,226)			(3,012,043)	(2,836,276)
Cash flows from noncapital financing activities						
Transfers from other funds			1,024,000		1,024,000	62,000
Transfers to other funds	(1,086,550)	(671,000)	(12,000)	(10,700)	(1,780,250)	-
Receipt (payment) to/from other funds for interfund borrowing	22,900				22,900	-
Net cash provided (used) by noncapital activities	(1,063,650)	(671,000)	1,012,000	(10,700)	(733,350)	62,000
Increase in equity in cash pool	(1,549,736)	(740,912)	512,000	43,540	(1,735,108)	173,076
Cash and cash equivalents, January 1	29,706,739	26,666,274	1,928,433	2,312,153	60,613,599	26,152,902
Cash and cash equivalents, December 31	<u>\$ 28,157,003</u>	<u>\$ 25,925,362</u>	<u>\$ 2,440,433</u>	<u>\$ 2,355,693</u>	<u>\$ 58,878,491</u>	<u>\$ 26,325,978</u>
Cash and investments in cash pool, December 31	\$ 28,157,003	\$ 25,925,362	\$ 2,100,000	\$ 2,223,562	\$ 58,405,927	\$ 26,325,978
Cash and investments not in pool, December 31	-	-	340,433	132,131	472,564	-
Cash and cash equivalents, December 31	<u>\$ 28,157,003</u>	<u>\$ 25,925,362</u>	<u>\$ 2,440,433</u>	<u>\$ 2,355,693</u>	<u>\$ 58,878,491</u>	<u>\$ 26,325,978</u>

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Water Utility Fund	Sewer Utility Fund	Community Center Fund	Other Proprietary Funds	Totals	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (1,887,219)	\$ (1,129,012)	\$ (1,351,718)	\$ (164,939)	\$ (4,532,888)	\$ 792,662
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	1,852,119	1,674,757	822,204	163,604	4,512,684	1,004,793
Change in assets and liabilities:						
Decrease (increase) in accounts receivable	112,705	(95,965)	7,195	(35,177)	(11,242)	12,037
Decrease in special assessments receivable	67,975	137,460			205,435	-
Decrease (Increase) in inventory	3,912		(4,700)		(788)	(21,894)
Decrease (Increase) in prepaid expense	5,191	(5,347)			(156)	(879)
Increase (decrease) in accounts payable	(193,847)	43,857	(26,814)	14,973	(161,831)	356,789
Increase (decrease) in wages payable	11,268	3,620	7,842	2,043	24,773	(16,850)
Increase in unearned revenue			2,337		2,337	-
Decrease in compensated absences						(52,716)
Net cash provided (used) by operating activities	<u>\$ (27,896)</u>	<u>\$ 629,370</u>	<u>\$ (543,404)</u>	<u>\$ (19,496)</u>	<u>\$ 38,574</u>	<u>\$ 2,073,942</u>
Noncash capital financing and related financing activities						
Contribution of capital assets from development	\$ 905,472	\$ 669,270			\$ 1,574,742	
Amortization of deferred refunding unamortized charges	(1,800)				(1,800)	
Amortization of bond discount/premium	747				747	
Accrued bond interest	(25,042)				(25,042)	
Contribution of capital assets from government						\$ 25,465
Contribution of capital assets to government						(992,516)

The notes to the financial statements are an integral part of this statement.

City of Maple Grove, Minnesota

Statement of Fiduciary Net Position

Agency Funds

December 31, 2014

Assets

Cash and investments in cash pool	\$ 2,412,154
Interest receivable	7,439
Accounts receivable	1,500
Intergovernmental receivable	<u>24,174</u>
Total assets	<u><u>\$ 2,445,267</u></u>

Liabilities

Accounts payable	\$ 5,837
Accrued wages payable	2,214
Due to other governments	49,163
Deposits	<u>2,388,053</u>
Total liabilities	<u><u>\$ 2,445,267</u></u>

The notes to the financial statements are an integral part of this statement.



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Notes to

Financial Statements

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 1 – Summary of Significant Accounting Policies

The financial statements of the City of Maple Grove, Minnesota, have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The City of Maple Grove (City) was incorporated under the laws of the State of Minnesota. The governing body consists of a mayor and four council members. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the City's operations.

Blended Component Units

The Housing and Redevelopment Authority (HRA) in and for the City of Maple Grove is governed by a five-member board, which is made up of the five members of the City Council. The City Council reviews and approves HRA tax levies, and the City provides major community development financing for HRA activities. Debt issued for HRA activities is the general obligation of the City. Although it is legally separate from the City, the HRA is reported as if it were part of the primary government because the City Council serves as the board of the HRA. The HRA is presented as a governmental fund type. Complete financial information for the HRA can be obtained at the City's finance department.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. However, interfund activity for services such as water and sewer are not eliminated from the statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues included: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded when the payment is due.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The 2006A Improvement Bonds Fund accounts for debt service and special assessments related to the 2006A improvement bonds. The Road Reconstruction Fund accounts for funds set aside for the reconstruction of City streets. The Trunk Street Construction Fund accounts for the construction of collector streets in the City.

The City reports the following major proprietary funds:

The Water and Sewer Utility Funds account for the activities related to the City's water and sewer services. The Community Center Fund accounts for the operations of the City's community center.

Additionally, the City reports the following fund types:

Internal service funds account for the following activities provided to other departments of the City on a cost reimbursement basis: fleet management services, replacement of major equipment and building repairs, employee benefits and insurance.

Agency funds account for assets held in a custodial capacity for the Pets Under Police Security (PUPS) and escrow deposits from developers and contractors.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between the City's water and sewer utilities and various other functions of the City. Elimination of these charges would distort the direct costs of and program revenues reported from the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then use unrestricted resources as they are needed.

D. Cash and Investments

Cash balances from all funds, except for certain special revenue funds and the Community Center Fund, are combined and invested to the extent available in authorized investments. The cash pool of the City operates essentially as a demand account for all participating funds. Earnings from such investments are allocated to the respective funds on the basis of the applicable cash balance participation by each fund.

The Minnesota 4M Plus Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. The fair value of the position in the pool is the same as the value of the pools shares. Investments are stated at fair value, which is based on the quoted market price of the investment.

For purposes of the statement of cash flows, the City considers cash and investments in the cash pool as cash and cash equivalents since all amounts are deemed cash on demand. Cash and investments held in trust are not considered cash and cash equivalents because they have maturities longer than three months.

E. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

F. Inventories

Inventories of the proprietary funds are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased.

G. Prepaid Items

Payments made to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements, except for insurance, which is accounted for as an expenditure in the period paid in both the government-wide and fund financial statements. Prepaid items are reported using the consumption method.

H. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., streets, bridges, distribution systems, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not increase asset value or materially extend asset lives are not capitalized. The City reviews its capital assets for impairment whenever events indicate the decline in service utility of the capital asset is significant in magnitude and the event or change in circumstances is outside the normal cycle of the capital asset.

Buildings, equipment and infrastructure of the City and the HRA are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Estimated Life</u>
Buildings and Improvements	10-30
Water and Sewer Distribution	50
Streets	25
Storm Sewers	30
Interchange	50
Vehicles and Equipment	3-20
Office Furniture and Equipment	5-10

I. Deferred Outflows/Inflows of Resources

In addition to assets, the City will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item that qualifies for reporting this category. It is the deferred charge on refunding reported in the government-wide statement of net position.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the City will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. Those amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

J. Property Taxes

Property tax levies are set by the City Council in December of each year and are certified to Hennepin County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. Property tax levies are based on property values assessed on January 2 of the preceding year. The County spreads all levies over all taxable property. Such taxes become a lien on January 1 of the current year. Property taxes are due from taxpayers in two equal installments, on May 15 and October 15. The county provides tax settlements to cities and other local governments three times a year in July, December and January.

Revenues are accrued and recognized in the government-wide financial statements in the current period. In the fund financial statements, taxes that remain unpaid at December 31 are classified as delinquent taxes and fully offset by deferred revenue, because it is not known when they will be available to finance current expenditures.

K. Special Assessments

Special assessments are levied against the benefited properties for the assessable costs of special assessments improvement projects in accordance with state statutes. The City usually adopts the assessment rolls when the individual projects are complete or substantially complete. The assessments are collectible over a period of five to twenty years, depending on the type of assessment. Annual installments (including interest) for special assessments are collected by the County in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties to the City.

The City recognizes special assessment revenue in the government-wide financial statements when the assessment rolls are levied. In the fund financial statements, the City recognizes special assessment revenue when it becomes both measurable and available. Current assessments, which remain unpaid at December 31, are classified as delinquent receivables and, together with deferred assessments, are fully offset by deferred revenue because it is not known when they will be available to finance current expenditures.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

L. Compensated Absences

The liability for accrued compensated absences includes accumulated vacation leave, sick leave, long-term service or tenure pay, and post employment health benefit paid with unused sick leave at retirement. Full-time employees are allowed to accumulate a maximum of 300 hours of vacation and 150 hours for part time employees. Employees with five or more years of service are compensated for one-third of their accumulated sick leave, as a result of an employee's resignation or retirement. For eligible employees at retirement, the City will contribute 60% of their remaining sick leave after the sick leave payout into a health care savings account for a post employment health benefit. Employees with 20 or more years of service with the City are entitled to additional compensation for long-term service or tenure pay.

Vested or accumulated vacation, sick leave, tenure pay and post employment health benefit for all City employees are recorded as an expenditure or expense in all funds as the benefits accrue to employees. The liability for this is then recorded in an internal service fund – Employee Benefits Fund, from which compensated absences are paid.

M. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

N. Fund Balance Classifications and Fund Balance Policy

In the fund financial statements, fund balance for the governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable fund balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that have constraints placed on them either externally by third parties (state statutes, creditors, grantors) or through constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City Council (highest level of decision making authority). The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City Council at a council meeting.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Assigned fund balance consists of amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. The City Council has authorized the Finance Director as the official authorized to assign fund balance to a specific purpose as approved by the City fund balance policy.

Unassigned fund balance is the residual classification for the General Fund. This is fund balance that has not been restricted, committed or assigned to specific purposes within the General Fund. A governmental fund other than the General Fund may have a negative residual balance.

When restricted and unrestricted (committed, assigned and unassigned) fund balances are available for use, it is the City's policy to use restricted balances first, then unrestricted balances. When unrestricted balances (committed, assigned and unassigned) fund balances are available for use, it is the City's policy to use committed balances first, then assigned, and finally unassigned as needed.

N. Unassigned Fund Balance Policy

The City has formally adopted a policy to maintain an adequate level of unassigned fund balance for the General Fund. The policy establishes a minimum unassigned fund balance in the General Fund at the end of the year in the range of 15 – 25% of the subsequent year's budgeted expenditures. This range of fund balance will accommodate the cash flow needs of the City and any unforeseen circumstances. At December 31, 2014, the unassigned fund balance for the General Fund was 20.0% of the subsequent year's budgeted expenditures.

Note 2 – Budgets, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year-end. The City does not use encumbrances. Financial controls for debt service funds are achieved through bond indenture provisions. Project-length financial plans are adopted for all Capital Projects Funds.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The finance director submits to the City Council a proposed operating budget, which includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The preliminary property tax levy is legally enacted through passage of a resolution and certified to the County by September 15 of each year.
4. The final budget is legally adopted through the passage of a resolution by December 20 of each year.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

5. Formal budgets are adopted for the General Fund and Special Revenue Funds. Budget control for Debt Service Funds is achieved through bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls.
6. The City Council may authorize the transfer of budgeted amounts between funds.
7. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is at the department level for the General Fund and at the fund level for all other budgeted funds. For management purposes, budgetary control is maintained at the department level. Also inherent in this controlling function is the management philosophy that the existence of a particular item or appropriation in the approved budget does not automatically mean that it will be spent. The budget process has flexibility in that, where the need has been properly demonstrated, the City Administrator can make an adjustment within individual fund budgets. Therefore, there is a constant review process and expenditures are not approved until it has been determined that: (1) adequate funds were appropriated; (2) the expenditure is still necessary; and (3) funds are available.

Budgeted amounts are as originally adopted by the City Council. Revenues exceeding budgeted amounts are sometimes used for supplemental appropriations during the year. Neither the revenue nor the expenditure budget is adjusted to reflect these items. The City did not make any supplemental appropriations during the year.

B. Excess of Expenditures over Appropriations

Expenditures exceeded appropriations (budget) in the following individual funds for the year ended December 31, 2014:

Special Revenue Funds:	
Community Resources	\$ 83,797

C. Deficit Fund Balances

The following individual Debt Service and Capital Projects Funds have deficit fund balances as of December 31, 2014:

Capital Projects Funds:	
2014 Improvement Project Financing	\$ 801,519

The deficit in the 2014 Improvement Project Financing Funds is the result of the City's decision to finance the cost of development projects internally. The deficit will be eliminated when special assessments are collected from residential and commercial developments.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 3 – Cash and Investments

Cash and investments in the City’s cash pool at December 31, 2014 are as follows:

	<u>Fair Value</u>
<u>Cash</u>	
Cash on Hand	\$ 2,690
Cash in Bank Accounts	<u>3,389,809</u>
 Total Cash in Pool	 <u>3,392,499</u>
 <u>Investments</u>	
U.S. Treasuries	28,984,430
U.S. Agencies	26,348,510
Federal Instrumentalities	111,739,655
State and Municipal Bonds	18,314,397
Bankers’ Acceptance	32,846,728
Money Market Funds	<u>6,963,353</u>
 Total Investments in Cash Pool	 <u>225,197,073</u>
 Total Cash and Investments in Cash Pool	 <u><u>\$ 228,589,572</u></u>

Cash and investments not in the City’s cash pool at December 31, 2014 are as follows:

	<u>Fair Value</u>
<u>Cash</u>	
Cash on Hand	\$ 4,060
Cash in Bank Accounts	<u>937,203</u>
 Total Cash and Investments not in Pool	 <u><u>\$ 941,263</u></u>

Cash and investments held with escrow agent at December 31, 2014 are as follows:

	<u>Fair Value</u>
<u>Cash</u>	
State and Local Government Securities	<u>\$ 37,871,299</u>
 Total Cash and Investments held with Escrow Agent	 <u><u>\$ 37,871,299</u></u>

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Bank Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to the City. State statutes require that insurance, surety bonds or collateral protect all City deposits. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds (140% in the case of mortgage notes pledged). As of December 31, 2014, the City's bank balances were covered by insurance or collateral pledged and held in the City's name.

Investments

As of December 31, 2014, the City had the following investments and maturities in its cash and investment pool:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities – (In Years)</u>			
		<u>Less Than 1</u>	<u>1 – 5</u>	<u>6-10</u>	<u>More Than 10</u>
U.S. Treasuries	\$ 28,984,430	\$ 2,556,776	\$ 3,916,399	\$ 22,511,255	
U.S. Agencies	26,348,510	2,962,377	5,968,245	7,463,708	\$ 9,954,180
Federal Instrumentalities	111,739,655	6,006,107	28,059,780	12,851,664	64,822,104
State and Municipal Bonds	18,314,397	1,532,415	11,646,288	4,328,566	807,128
Bankers' Acceptance	32,846,728	32,846,728	-	-	-
Money Market Funds	<u>6,963,353</u>	<u>6,963,353</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments in Cash Pool	<u>\$ 225,197,073</u>	<u>\$ 52,867,756</u>	<u>\$ 49,590,712</u>	<u>\$ 47,155,193</u>	<u>\$ 75,583,412</u>

As of December 31, 2014, the City's investments in its cash and investment pool are managed as follows:

<u>Investment Manager</u>	<u>Fair Value</u>	<u>Effective Duration</u>	<u>Average Maturity</u>
City of Maple Grove	\$ 33,135,861	0.5 years	0.5 years
Galliard Capital Management	91,900,243	3.7 years	4.5 years
Nuveen Asset Management	87,476,428	3.2 years	3.9 years
Galliard Capital Management – TIPS	6,398,192	6.4 years	7.4 years
Nuveen Asset Management - TIPS	<u>6,286,349</u>	6.5 years	6.7 years
Total Investments in Cash Pool	<u>\$ 225,197,073</u>		
Benchmark		3.9 years	4.2 years
Benchmark – TIPS		3.6 years	5.3 years

City of Maple Grove, Minnesota
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Interest Rate Risk

Through the City's investment policy, the City manages its exposure to fair value losses arising from increasing interest rates by limiting the weighted average effective duration of its investment portfolio to not exceed 125% of the duration of a blended index of 60% Barclays Capital Intermediate Government Index / 40% Barclays Capital Mortgage Index (Benchmark) and Barclays Capital TIPS 1-10 Year Index (TIPS Benchmark).

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's investment policy requires all investments to be held in a custodial account. As of December 31, 2014, a custodial bank held all investments in the City's name.

Credit Risk

State statutes and the City's investment policy limit investments in money market funds, state or municipal bonds and commercial paper to the following ratings from a national bond rating service as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Service</u>
Money Market Funds	AA or better	Moody's Investor Service or Standard & Poor's
State and Municipal Bonds	A or better	Moody's Investor Service or Standard & Poor's
Commercial Paper	P-1 A-1	Moody's Investor Service Standard & Poor's

As of December 31, 2014, the City's investment in Money Market Funds were rated AAA by Standard & Poor's, Federal Instrumentalities, which includes investments in the Federal Home Loan Bank, Federal Home Loan Mortgage Corp Federal National Mortgage Association, were rated AA+ by Standard & Poors and investments in State and Municipal Bonds had the following ratings:

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Percent of Investment Type</u>
State and Municipal Bonds	A	\$ 393,496	2%
State and Municipal Bonds	AA	9,216,794	50
State and Municipal Bonds	AAA	<u>8,704,107</u>	48
Total State and Municipal Bonds		<u>\$ 18,314,397</u>	

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 4 – Capital Assets

Capital assets activity for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and Improvements	\$ 39,378,074	\$ -	\$ 726,704	\$ 38,651,370
Park Improvements	18,906,410	417,342	-	19,323,752
Construction in Progress	<u>12,568,596</u>	<u>7,934,645</u>	<u>9,848,192</u>	<u>10,655,049</u>
Total Capital Assets, Not Being Depreciated	<u>70,853,080</u>	<u>8,351,987</u>	<u>10,574,896</u>	<u>68,630,171</u>
Capital Assets, Being Depreciated:				
Park Improvements	1,509,003	471,163	26,400	1,953,766
Park Play Structures	2,588,700	146,053	16,075	2,718,678
Buildings and Improvements	68,813,135	5,449,801	-	74,262,936
Furniture	1,107,911	-	-	1,107,911
Equipment	20,637,321	2,228,984	445,585	22,420,720
Infrastructure:				
Streets	196,507,997	6,760,377	-	203,268,374
Interchange	19,580,332	-	-	19,580,332
Storm Sewers	<u>57,019,387</u>	<u>2,179,352</u>	<u>-</u>	<u>59,198,739</u>
Total Capital Assets, Being Depreciated	<u>367,763,786</u>	<u>17,235,730</u>	<u>488,060</u>	<u>384,511,456</u>
Less Accumulated Depreciation:				
Park Improvements	651,490	69,568	26,400	694,658
Park Play Structures	1,491,929	124,252	16,075	1,600,106
Buildings	22,289,624	2,276,047	-	24,565,671
Furniture	943,426	12,542	-	955,968
Equipment	11,606,247	1,312,823	445,585	12,473,485
Infrastructure:				
Streets	86,039,346	8,239,016	-	94,278,362
Interchange	3,933,530	652,205	-	4,585,735
Storm Sewers	<u>23,305,930</u>	<u>1,957,704</u>	<u>-</u>	<u>25,263,634</u>
Total Accumulated Depreciation	<u>150,261,522</u>	<u>14,644,157</u>	<u>488,060</u>	<u>164,417,619</u>
Total Capital Assets, Being Depreciated, Net	<u>217,502,264</u>	<u>2,591,573</u>	<u>-</u>	<u>220,093,837</u>
Governmental Activities Capital Assets, Net	<u>\$ 288,355,344</u>	<u>\$ 10,943,560</u>	<u>\$ 10,574,896</u>	<u>\$ 288,724,008</u>

City of Maple Grove, Minnesota
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land Improvements	\$ 2,023,369	\$ -	\$ -	\$ 2,023,369
Capital Assets, Being Depreciated:				
Buildings	25,318,263	-	-	25,318,263
Equipment	3,669,042	92,642	58,988	3,702,696
Distribution Systems	171,511,309	3,473,129	-	174,984,438
Total Capital Assets, Being Depreciated	<u>200,498,614</u>	<u>3,565,771</u>	<u>58,988</u>	<u>204,005,397</u>
Less Accumulated Depreciation:				
Buildings	9,384,945	907,728	-	10,292,673
Equipment	1,611,096	162,345	58,988	1,714,453
Distribution Systems	59,351,867	3,442,611	-	62,794,478
Total Accumulated Depreciation	<u>70,347,908</u>	<u>4,512,684</u>	<u>58,988</u>	<u>74,801,604</u>
Total Capital Assets, Being Depreciated, Net	<u>130,150,706</u>	<u>(946,913)</u>	<u>-</u>	<u>129,203,793</u>
Business-Type Activities Capital Assets, Net	<u>\$ 132,174,075</u>	<u>\$ (946,913)</u>	<u>\$ -</u>	<u>\$ 131,227,162</u>

Depreciation expense was charged to City functions as follows:

Governmental activities:	
General Government	\$ 883,357
Community and Economic Development	378,711
Public Safety	686,410
Public Works	11,667,718
Parks and Recreation	542,290
Transit	<u>485,671</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 14,644,157</u>
Business-type activities:	
Water	\$ 1,852,119
Sewer	1,674,757
Community Center	822,204
Sports Dome	<u>163,604</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 4,512,684</u>

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 5 – Long-Term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. During the year \$2,205,000 of general obligation road reconstruction bonds were issued to finance the reconstruction of existing city streets.

The American Recovery and Reinvestment Act of 2009 authorized Build America Bonds (BAB's) for the financing of infrastructure. The City issued BAB's in 2009 and 2010 for road reconstruction projects. BAB's are issued as taxable bonds and entitle the City (issuer) to receive a payment from the federal government equal to thirty-five percent of the interest paid on the bonds for the life of the bond issue.

General obligation bonds currently outstanding are as follows:

<u>Activity</u>	<u>Net Interest Rates</u>	<u>Amount</u>
Governmental Activities	1.86-4.59%	\$ 25,445,000
Governmental Activities – Refunding	1.19-4.15%	40,130,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>BAB Credit</u>
2015	\$ 5,330,000	\$ 2,018,680	\$ 98,202
2016	11,535,000	1,765,459	95,371
2017	9,595,000	1,379,249	92,012
2018	5,340,000	1,160,517	88,249
2019	4,910,000	1,034,212	84,099
2020-2024	17,110,000	3,499,578	344,410
2025-2029	9,310,000	1,257,684	182,013
2030-2034	<u>2,445,000</u>	<u>146,966</u>	<u>20,059</u>
Total	<u>\$ 65,575,000</u>	<u>\$ 12,262,345</u>	<u>\$ 1,004,415</u>

Cross Over Advanced Refundings

During 2012, the City issued \$4,935,000 of road reconstruction refunding bonds for a cross over advanced refunding of \$4,925,000 of the 2004B road reconstruction bonds. The net proceeds of \$5,065,745 were used to purchase State and Local Government Securities (SLGS). Those securities were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal maturities at the call date of the refunded bonds and for the interest on the refunding bonds through the call date. The City is responsible for the principal and interest payments on the remaining refunded bond issues through the call date.

City of Maple Grove, Minnesota
Notes to the Financial Statements
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The principal balances of both the refunded and refunding bonds are reported as long-term debt of the City until the call dates of the refunded bonds, at which time the refunded bonds will be considered defeased and the related liability will be removed from the governmental activities column of the statement of net position. The call date for the road reconstruction refunded bonds is February 1, 2014. The road reconstruction refunding was undertaken to reduce total future debt service payments by \$651,660 and resulted in an economic gain of \$575,449.

During 2013, the City issued \$5,955,000 of capital improvement plan refunding bonds for a cross over advanced refunding of \$5,815,000 of the 2005C capital improvement plan bonds. The net proceeds of \$6,104,630 were used to purchase State and Local Government Securities (SLGS). Those securities were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal maturities at the call date of the refunded bonds and for the interest on the refunding bonds through the call date. The City is responsible for the principal and interest payments on the remaining refunded bond issues through the call date. The principal balances of both the refunded and refunding bonds are reported as long-term debt of the City until the call dates of the refunded bonds, at which time the refunded bonds will be considered defeased and the related liability will be removed from the governmental activities column of the statement of net position. The call date for the road reconstruction refunded bonds is February 1, 2016. The road reconstruction refunding was undertaken to reduce total future debt service payments by \$309,331 and resulted in an economic gain of \$289,684.

During 2014, the City issued \$3,710,000 of road reconstruction refunding bonds for a cross over advanced refunding of \$1,390,000 of the 2006B road reconstruction bonds and \$2,190,000 of the 2007A road reconstruction bonds. The net proceeds of \$3,693,584 were used to purchase State and Local Government Securities (SLGS). Those securities were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal maturities at the call date of the refunded bonds and for the interest on the refunding bonds through the call date. The City is responsible for the principal and interest payments on the remaining refunded bond issues through the call date. The principal balances of both the refunded and refunding bonds are reported as long-term debt of the City until the call dates of the refunded bonds, at which time the refunded bonds will be considered defeased and the related liability will be removed from the governmental activities column of the statement of net position. The call date for the refunded bonds is February 1, 2017. The road reconstruction refunding was undertaken to reduce total future debt service payments by \$407,707, and resulted in an economic gain of \$354,256.

Special Assessment Bonds

The City issues special assessment bonds for the construction of streets and utilities in new commercial developments. These bonds will be repaid from special assessments levied against the properties benefiting from this construction. The City is obligated for the payment of special assessments debt not covered through the collection of special assessments from property owners. Any obligation by the City would be paid from property taxes. Delinquent special assessments at December 31, 2014 are \$1,987.

Special assessment bonds with governmental commitment currently outstanding are as follows:

<u>Activity</u>	<u>Net Interest Rates</u>	<u>Amount</u>
Governmental Activities	4.48%	\$ 32,570,000
Governmental Activities – Refunding	1.19-3.84%	29,705,000

City of Maple Grove, Minnesota
Notes to the Financial Statements
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Annual debt service requirements to maturity for special assessment bonds are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2015	\$ 2,675,000	\$ 2,604,725
2016	2,845,000	2,474,700
2017	29,495,000	1,674,675
2018	2,655,000	891,950
2019	2,745,000	789,225
2020-2024	13,345,000	2,389,425
2025-2027	<u>8,515,000</u>	<u>387,825</u>
Total	<u>\$ 62,275,000</u>	<u>\$ 11,212,525</u>

Cross Over Advanced Refunding

During 2013, the City issued \$26,185,000 of capital improvement plan refunding bonds for a cross over advanced refunding of \$26,560,000 of the 2006A capital improvement plan bonds. The net proceeds of \$29,607,240 were used to purchase State and Local Government Securities (SLGS). Those securities were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal maturities at the call date of the refunded bonds and for the interest on the refunding bonds through the call date. The City is responsible for the principal and interest payments on the remaining refunded bond issues through the call date. The principal balances of both the refunded and refunding bonds are reported as long-term debt of the City until the call dates of the refunded bonds, at which time the refunded bonds will be considered defeased and the related liability will be removed from the governmental activities column of the statement of net position. The call date for the road reconstruction refunded bonds is February 1, 2017. The road reconstruction refunding was undertaken to reduce total future debt service payments by \$3,296,956 and resulted in an economic gain of \$2,824,203.

Loans

The HRA has received interest free loans from HUD through HOME Loans and loans from Hennepin County and the State of Minnesota for the purchase of affordable scattered site homes in the City.

Annual debt service requirements to maturity for the loans are as follows:

Year Ending December 31	Governmental Activities
	Principal
2023-2027	\$ 696,292
2028-2032	391,700
2033-2037	195,000
2038-2040	<u>290,046</u>
Total	<u>\$ 1,573,038</u>

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Changes in long-term debt

Long-term debt activity for the year ended December 31, 2014 was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable:					
Special Assessment Bonds	\$ 68,730,000	\$ -	\$ 6,455,000	\$ 62,275,000	\$ 2,675,000
General Obligation Bonds	82,720,000	5,915,000	23,060,000	65,575,000	5,330,000
Deferred Amounts:					
Bond Premium	6,763,603	47,050	615,330	6,195,323	618,769
Bond Discount	<u>(509,771)</u>	<u>-</u>	<u>(71,285)</u>	<u>(438,486)</u>	<u>(71,285)</u>
Total Bonds Payable	157,703,832	5,962,050	30,059,045	133,606,837	8,552,484
Accrued Compensated Absences	4,446,327	611,083	663,799	4,393,611	450,000
Family Housing Loans	200,000	-	-	200,000	-
NSP 2 Loan	186,292	-	-	186,292	-
HOME Loans	1,186,746	-	-	1,186,746	-
Metropolitan Council – RALF	5,437,922	-	470,963	4,966,959	719,106
Net OPEB Liability	<u>1,356,376</u>	<u>285,108</u>	<u>-</u>	<u>1,641,484</u>	<u>-</u>
Governmental Activities Long-Term Liabilities	<u>\$ 170,517,495</u>	<u>\$ 6,858,241</u>	<u>\$ 31,193,807</u>	<u>\$ 146,181,929</u>	<u>\$ 9,721,590</u>
Bonds Payable:					
Water Revenue Bonds	\$ 2,315,000	\$ -	\$ 2,315,000	\$ -	
Deferred Amounts:					
Bond Premium	1,093	-	1,093	-	
Bond Discount	<u>(345)</u>	<u>-</u>	<u>(2,075)</u>	<u>-</u>	
Business-type Activities Long-Term Liabilities	<u>\$ 2,315,748</u>	<u>\$ -</u>	<u>\$ 2,315,748</u>	<u>\$ -</u>	

Compensated absences and the OPEB liability are liquidated by the Employee Benefits Fund. RALF loans are liquidated from funds in the Improvement Project Financing Fund.

Tax Increment Financing

Tax increment revenue consists of taxes collected on the “captured gross tax capacity”, the incremental amount of tax revenue over the taxes collected on the original gross tax capacity. The taxes on the original gross tax capacity remain as part of the ordinary tax base of the City.

The tax increment revenue collected can be used for the retirement of bonds issued to finance public improvements, acquisition of property, “pay as you go” tax increment revenue notes and internally financed improvements approved in the tax increment plan.

City of Maple Grove, Minnesota
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HRA Housing District No. 5 – (#1911)

This District was established as a housing and redevelopment project for the development of a 263 unit low and moderate income senior housing facility known as “Chapel Wood”. It is currently estimated that no debt obligations will be incurred by the HRA or the City, except a “pay as you go” tax increment obligation to the developer. The tax increment obligation will be paid from tax increment revenues generated from the District. The balance of the “pay-as-you-go” tax increment revenue notes at December 31, 2014 was \$7,785,347.

The District was created in 1999 under Minnesota Statutes 469.001 to 469.047 and is expected to be terminated in 2026.

Tax Capacity (Valuation 2013, Taxes Payable 2014):

Current Net Tax Capacity	\$ 305,423
Original Net Tax Capacity	<u>(4,440)</u>
Captured Net Tax Capacity	<u>\$ 300,983</u>

Note 6 - Leases

Operating Lease

The City leases office equipment under a four year cancelable operating lease. Total rental cost for such lease was \$47,275 for the year ended December 31, 2014.

Note 7 – Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2014 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-Major Governmental Funds	\$ 283,527 (2)
Water Utility	Non-Major Governmental Funds	1,748 (1)
Community Center	General	<u>300,000 (2)</u>
	Total	<u>\$ 585,275</u>

The purpose of interfund receivables/payables is as follows:

- (1) Represents internal borrowing to eliminate cash deficits at year-end.
- (2) Represents transfers at year-end for operating or capital purposes.

City of Maple Grove, Minnesota
Notes to the Financial Statements
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Note 8 – Interfund Transfers

The composition of interfund transfers as of December 31, 2014 is as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Non-Major Governmental Funds	\$ 142,092 (1)
	Water Utility Fund	200,000 (1)
	Sewer Utility Fund	200,000 (1)
	Community Center Fund	12,000 (1)
	Non-Major Proprietary Funds	10,700 (1)
Non-Major Governmental Funds	General Fund	3,937,250 (2)
	General Fund	3,150,000 (3)
	Road Reconstruction Fund	1,375,000 (4)
	Road Reconstruction Fund	75,120 (5)
	Trunk Street Construction Fund	700,000 (4)
	Non-Major Governmental Funds	706,500 (3)
	Non-Major Governmental Funds	1,220,130 (4)
	Non-Major Governmental Funds	1,851,947 (5)
Non-Major Governmental Funds	Water Utility	618,000 (3)
	Sewer Utility	350,000 (3)
	Water Utility	220,000 (4)
	Sewer Utility	90,000 (4)
Community Center Fund	General	649,000 (2)
	General	300,000 (3)
	Non-Major Governmental Fund	75,000 (2)
Internal Service Funds	Water Utility Fund	48,550 (3)
	Sewer Utility Fund	<u>31,000 (3)</u>
Subtotal of Transfers In		\$ 15,962,289
Transfer of Capital Assets To Internal Service Funds From Governmental Funds		<u>7,915</u>
Total Transfers In		<u>\$ 15,970,204</u>
Subtotal of Transfers Out		\$ 15,962,289
Transfer of Capital Assets From Internal Service Fund to Governmental Funds		<u>992,516</u>
Total Transfers Out		<u>\$ 16,954,805</u>

The purpose of interfund transfers is as follows:

- (1) Administrative transfers.
- (2) Annual appropriation transfers for park and community center operations.
- (3) Transfers for capital projects and equipment.
- (4) Transfers for annual debt service requirements.
- (5) Transfers for closing of certain funds and projects.

City of Maple Grove, Minnesota
Notes to the Financial Statements
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In the fund financial statements, total transfers in of \$15,970,204 is less than total transfers out of \$16,954,805 because of the treatment of transfers of capital assets to/from an internal service fund. During the year, capital assets purchased by governmental funds, with a book value of \$7,915, were transferred to an internal service fund. In addition, capital assets purchased by an internal service fund in the amount of \$992,516 were transferred to the governmental funds. No amounts were reported in the governmental funds as the amounts did not involve the transfer of financial resources. However, the internal service fund did report the transfers of these capital resources.

Note 9 – Fund Balance Classification

As of December 31, 2014, the City had the following fund balance classifications:

	General Fund	2006 Series A Improvement Bonds	Road Reconstruction	Trunk Street Construction	Other Governmental Funds	Total
Nonspendable:						
Prepaid items	\$ 45,448				\$ 12,436	\$ 57,884
Restricted:						
Debt service reserves		\$ 30,876,170			18,193,595	49,069,765
Transit					6,312,690	6,312,690
Park projects					5,533,135	5,533,135
Park and recreation					105,734	105,734
Tax increment projects					3,683,265	3,683,265
Road improvements					5,230,201	5,230,201
Public safety					80,145	80,145
General projects					233,004	233,004
Committed:						
Road improvements			\$ 22,283,215		-	22,283,215
Long-term development plan					6,008,607	6,008,607
Capital improvements					9,031,662	9,031,662
Affordable housing					2,536,222	2,536,222
Public safety					104,918	104,918
Assigned:						
Road improvements				\$ 33,660,981	4,398,248	38,059,229
Storm sewer improvements					13,930,373	13,930,373
Capital improvements					2,314,464	2,314,464
Other improvements					3,570,952	3,570,952
General projects					595,914	595,914
Public safety					7,640	7,640
Unassigned	<u>7,211,419</u>				<u>(801,519)</u>	<u>6,409,900</u>
Total	<u>\$ 7,256,867</u>	<u>\$ 30,876,170</u>	<u>\$ 22,283,215</u>	<u>\$ 33,660,981</u>	<u>\$ 81,081,686</u>	<u>\$ 175,158,919</u>

Note 10 – Joint Venture

During 1990, the City entered into a joint and cooperative agreement with six other surrounding cities to create an organization to provide for the impoundment of animals. The organization, named Pets Under Police Security (PUPS), constructed an animal impound facility with capital costs totaling approximately \$681,000. The City's share of constructing the facility was \$133,000. The governing board of PUPS is made up of one member from each of the seven cities.

City of Maple Grove, Minnesota
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Annual operational and capital costs of PUPS are to be charged annually to each of its members in direct proportion to the number of animals impounded from each member's jurisdiction. The City's share of these operating costs is included in the General Fund. The City's share of operating revenues for 2014 was \$24,395, which is 14.0% of the total operating revenues for PUPS. The City is responsible for providing staffing, accounting and reporting for the impound facility. Complete financial information for PUPS can be obtained from the City's finance department.

Summary financial information as of and for the fiscal year ended December 31, 2014 is as follows:

	<u>Operations</u>	<u>Capital</u>	<u>Total</u>
Total Assets	\$ 17,660	\$ 36,653	\$ 54,313
Total Liabilities	\$ 5,150	\$ -	\$ 5,150
Total PUPS Equity	<u>12,510</u>	<u>36,653</u>	<u>49,163</u>
Total Liabilities and Equity	<u>\$ 17,660</u>	<u>\$ 36,653</u>	<u>\$ 54,313</u>
Total Revenues	\$ 173,893	\$ 1,186	\$ 175,079
Total Expenditures	<u>172,059</u>	<u>-</u>	<u>172,059</u>
Total Increase (Decrease) in PUPS Equity	<u>\$ 1,834</u>	<u>\$ 1,186</u>	<u>\$ 3,020</u>

Note 11 – Construction Commitments

The City has active construction projects as of December 31, 2014. The projects include street and utility construction in new developments and reconstruction of existing streets. At year-end the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitments</u>
Street and utility construction – special assessments	\$ 7,868,925	\$ 3,378,430
Street reconstruction – special assessments	2,001,660	222,030
Utility reconstruction – connection fees	<u>-</u>	<u>1,807,035</u>
Total	<u>\$ 9,870,585</u>	<u>\$ 5,407,495</u>

Note 12 – Contingent Liabilities

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 13 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchased the following insurance coverage's through the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool currently operating as a common risk management and insurance program for Minnesota cities: general liability, excess liability, workers compensation, property, automobile, marine, crime, employee dishonesty, boiler, petro fund and open meeting law.

The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of reserved amounts for each insured event. The LMCIT allows for the pool to make additional assessments to make the pool self-sustaining. The City has also purchased commercial insurance for computer equipment.

Current state statutes (Minnesota Statutes subd. 466.04) provide limits of liability for the City. These limits are that the combination of defense expense and indemnification expense shall not exceed \$500,000 in the case of one claimant or \$1,500,000 for any number of claims arising out of a single occurrence. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Note 14 – Employee Pension Plans – Statewide

A. Plan Description

All full-time and certain part-time employees of the City of Maple Grove are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF) which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by social security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, firefighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and employees vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age and years of credit at termination of service.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Two methods are used to compute benefits for GERP Coordinated Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years of service and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 1.7% of average salary for Coordinated Plan members. For PEPFF members, the annuity accrual rate is 3.0% for each year of service. For PEPFF members and for GERP members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree; no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the normal monthly annuity amount, because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERP and PEPFF. That report may be obtained by writing to PERA, 60 Empire Drive, Suite 200, St. Paul, MN 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

B. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERP Basic Plan members and Coordinated Plan members are required to contribute 9.10% and 6.25%, respectively, of their annual covered salary in 2014. PEPFF members are required to contribute 10.2% of their annual covered salary in 2014. The City is required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan PERF members; 7.25% for Coordinated Plan PERF members; and 15.3% for PEPFF members.

The City's contributions to the General Employees Retirement Fund (GERF) for the years ending December 31, 2014, 2013 and 2012 were \$837,733, \$810,299 and \$800,643, respectively. The City's contributions to the Public Employees Police and Fire Retirement Fund (PEPFF) for the years ending December 31, 2014, 2013 and 2012 were \$929,046, \$844,658 and \$811,145, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 15 - Pension Plan – Firefighters Relief Association

A. Plan Description

The City of Maple Grove contributes to the Maple Grove Firefighters Relief Association (MGFRA), which provides pension benefits to its members through a defined contribution plan administered by the MGFRA. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The MGFRA is a volunteer organization; therefore, there is no covered payroll. The plan is established and administered in accordance with Minnesota Statutes.

Each firefighter who is a member of the MGFRA has an individual account to which is credited an equal share of (a) fire state aid; (b) municipal contributions; and (c) any amounts equal to the share of assets of the special fund to the credit of: (1) any former member who terminated active service with the Maple Grove Fire Department prior to meeting the minimum service requirements and has not returned to service for a period of five years; or (2) any retired member who retired prior to obtaining a full nonforfeitable interest in the amounts credited to their account. In addition, any interest or investment income earned on the assets of the special fund is credited in proportion to the share of assets of the special fund to the credit of each member account. A retiring member is entitled to the nonforfeitable portion of his individual account balance, pursuant to the provisions below.

Each member who is at least 50 years of age and has attained 20 years of service with the Maple Grove Fire Department is eligible for a lump-sum payment of his or her account balance. A member who retires from the department before attaining age 50 and who has attained 20 or more years of service becomes eligible for a deferred pension and, after age 50, is entitled to receive the service pension with interest at prescribed rates.

A member who retires from the department with five or more years of service, but less than 20 years, is entitled to a reduced pension at age 50. The reduced service pension is calculated by multiplying the member's individual account balance by the applicable nonforfeitable percentage based on years of service. The nonforfeitable percentage is 40% after completing five years of service and increases 4% for each year of service after five years to a maximum of 100%.

B. Contributions Required and Contributions Made

The authority for contributions to the plan is established by Minnesota Statute 69.77. The statute is established and amended by the state legislature. Total state aid and City contributions to the Association in 2014 amounted to \$590,889, of which \$376,798 was made by the State of Minnesota for fire state aid and supplemental aid and \$214,091 by the City.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

Note 16 - Postemployment Healthcare Plan Benefits

A. Plan Description

The City administers a single-employer defined benefit healthcare plan. The City provides medical insurance to eligible retired city employees and beneficiaries through the City's group health insurance plan, which covers both active and retired employees. Benefit provisions are established through Minnesota Statutes 471.61 and 299A.465, which require public sector employers to provide eligible retirees and beneficiaries continuation in the group health insurance plan at the group plan premium rate. The plan does not issue a publicly available financial report.

B. Funding Policy

The contribution requirements of plan members and the City are established by State Statutes and the City Council. Eligible retired city employees and beneficiaries contribute 100% of the group health insurance plan premium. For fiscal year 2014, plan members contributed \$73,659 to the plan. The additional cost of using a blended rate for active employees and retirees is currently funded on a pay-as-you go basis and included in the expenditures/expenses for the year.

C. Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan:

Annual Required Contribution	\$ 350,309
Interest on Net OPEB Obligation	64,428
Adjustment to Annual Required Contribution	<u>(54,241)</u>
Annual OPEB Cost	360,496
Retiree Contributions ⁽¹⁾ made with interest	<u>(75,388)</u>
Increase (decrease) in Net OPEB Obligation	285,108
Net OPEB Obligation beginning of year	<u>1,356,376</u>
Net OPEB Obligation end of year	<u>\$ 1,641,484</u>

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014:

Fiscal Year Ended	Annual OPEB Cost	Retiree Contributions ⁽¹⁾	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2014	\$ 350,309	\$ 75,388	20.9%	\$ 1,641,484
12/31/2013	411,757	111,829	27.2	1,356,376
12/31/2012	393,483	80,182	20.4	1,056,448
12/31/2011	267,667	66,352	24.8	743,147
12/31/2010	253,362	48,648	19.2	541,832

(1) Retiree contributions (Pay-as-you-go-costs) are determined at the end of the year and equal the retiree costs less contributions paid by retirees.

D. Funding Status and Funding Progress

As of December 31, 2014, the actuarial accrued liability for benefits was \$2,798,146, all of which was unfunded and represents the implicit rate subsidies for eligible retirees and beneficiaries. The covered payroll (annual payroll of active employees covered by the plan) was \$16,734,373, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 16.7%.

E. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

In the December 31, 2014 actuarial valuation the entry age normal level percent of pay actuarial cost method was used. The actuarial assumptions include a 4.75% discount rate and an annual healthcare cost trend rate of 9.0% in 2014, reduced incrementally to an ultimate rate of 5.0% in 2024 and later. Both rates include a 3.0% inflation assumption.

City of Maple Grove, Minnesota
Notes to the Financial Statements
December 31, 2014

The unfunded actuarial accrued liability is being amortized, increasing at 3.75% per year for the payroll growth rate, over 30 years on a closed basis. The remaining amortization period at December 31, 2014 was 23 years.

Retirement age of active employees – Based on the retirement rates used in the PERA plan of which the employee is a participant.

Marital Status – Marital status of plan members at the calculation date was assumed to continue throughout retirement.

Mortality – Life expectancies were based on mortality tables from the National Center for Health Statistics. The 1983 Group Annuity Mortality Tables for males and for females were used.

F. Plan Members

The following summarizes the plan members at December 31, 2014, the date of the latest actuarial valuation:

Retiree Plan Members	7
Active Plan Members	<u>239</u>
Total Plan Members	<u>246</u>

Note 17 - Conduit Debt Obligations

From time to time the City has issued Housing Revenue Bonds and Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of multifamily housing and industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance.

Neither the City, the State nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The following table summarizes the housing and industrial revenue bonds issued by year:

<u>Housing Revenue Bonds</u>	<u>Number of Issues</u>	<u>Original Amount</u>
1983-1985	3	\$ 17,407,000
<u>Industrial Revenue Bonds</u>	<u>Number of Issues</u>	<u>Original Amount</u>
1983-1989	10	\$ 25,940,000
1990-1999	5	8,576,500
2000-2005	2	66,535,000
2007	1	143,605,000



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Required Supplementary Information

City of Maple Grove, Minnesota

Schedule of Funding Progress for Retiree Health Insurance Plan
For the Year Ended December 31, 2014

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
1/1/2008	\$0	\$ 1,703,305	\$ 1,703,305	0.0%	\$ 14,732,388	11.6%
1/1/2009 ⁽¹⁾	0	1,901,323	1,901,323	0.0%	15,400,012	12.3%
1/1/2010	0	1,910,736	1,910,736	0.0%	15,625,354	12.2%
1/1/2011 ⁽²⁾	0	2,134,306	2,134,306	0.0%	15,444,368	13.8%
1/1/2012	0	2,951,771	2,951,771	0.0%	15,751,846	18.7%
1/1/2013 ⁽³⁾	0	3,288,587	3,288,587	0.0%	16,198,725	20.3%
1/1/2014	0	2,798,146	2,798,146	0.0%	16,734,373	16.7%

⁽¹⁾ The 2009 liabilities and annual costs are based on the same population as the 2008 liabilities and annual costs.

⁽²⁾ The 2011 liabilities and annual costs are based on the same population as the 2010 liabilities and annual costs.

⁽³⁾ The 2013 liabilities and annual costs are based on the same population as the 2012 liabilities and annual costs.



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Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes.

Special Revenue Funds are as follows:

Community Resources Fund - This fund accounts for fees, donations, or small grants, which are to be expended for specific programs or projects.

Park Fund - This fund is used to account for the operations of the Maple Grove Park Board which is responsible for providing recreation programs, acquisition, development and maintenance of City parks, trails and recreational facilities.

Transit Fund – This fund was established to account for transit operations which are funded through a state Motor Vehicle Excise Tax (MVET) and bus fares. The City is able to use these dollars to provide more localized service to residents.

Police Training Facility Fund - This fund was established to account for the operations of the North Metro Range operated by the City.

HRA Fund - This fund was established to account for the activities of the Housing and Redevelopment Authority of Maple Grove (HRA) which is responsible for providing affordable housing options in the City.

Senior Citizen Housing Fund - This fund was established to account for the operations of an 88-unit HRA senior citizen apartment building.

Nonmajor Governmental Funds

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and payment of, general long-term debt principal and interest.

Debt Service Funds are as follows:

- 2004 Series B Road Reconstruction and Refunding Bonds
- 2005 Series A Road Reconstruction and Refunding Bonds
- 2005 Series B Improvement Refunding Bonds
- 2005 Series C Capital Improvement Plan Refunding Bonds
- 2006 Series B Road Reconstruction Bonds
- 2007 Series A Road Reconstruction Bonds
- 2008 Series A Road Reconstruction and Refunding Bonds
- 2009 Series A Road Reconstruction Bonds
- 2010 Series A Road Reconstruction Bonds
- 2010 Series B Road Reconstruction Refunding Bonds
- 2010 Series C Capital Improvement Plan Bonds
- 2010 Series A HRA Refunding Bonds Bonds
- 2011 Series A Road Reconstruction Bonds
- 2011 Series C Road Reconstruction Refunding Bonds
- 2012 Series A Road Reconstruction and Refunding Bonds
- 2013 Series A Improvement Refunding Bonds
- 2013 Series B Capital Improvement Plan Refunding Bonds
- 2013 Series C Road Reconstruction Bonds
- 2013 Series D Refunding Bonds
- 2013 Series E Capital Improvement Plan Refunding Bonds
- 2014 Series A Road Reconstruction Bonds
- 2014 Series B Road Reconstruction Refunding Bonds

Capital Projects Funds

The following Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- Park Land Dedication Fund
- Capital Improvement Fund
- Long-Term Development Fund
- Transit Capital Improvement Fund
- Forest Preservation Bonds
- 2010 Series C Capital Improvement Plan Bonds

Nonmajor Governmental Funds

Capital Projects Funds

The following Capital Projects Funds are used to account the financing (tax increments) of public improvements, acquisition of property and internally financed improvements approved in a tax increment plan.

- Tax Increment Districts
- 2001 Series A Tax Increment Bonds

The following Capital Projects Funds are used to account for the financing and construction of streets and utilities (storm sewers, water and sewer mains) in new residential and commercial developments in the City.

- State Aid Streets
- Storm Sewer Construction
- Improvement Project Financing
- 2011 Improvement Project Financing
- 2012 Improvement Project Financing
- 2013 Improvement Project Financing
- 2014 Improvement Project Financing

The following Capital Projects Funds are used to account for the financing and reconstruction of existing city streets and utilities (storm sewers).

- 2013 Series C Road Reconstruction Bonds
- 2014 Series A Road Reconstruction Bonds



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City of Maple Grove, Minnesota

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Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Special Revenue Funds						
	Community Resources	Park	Transit	Police Training Facility	HRA	Senior Citizen Housing	Total
Assets							
Cash and investments in cash pool	\$ 1,012,000	\$ 328,998	\$ 3,446,943	\$ 8,046	\$ 1,139,014	\$ 1,450,026	\$ 7,385,027
Cash and investments not in pool		418,698				50,001	468,699
Cash and investments held with escrow agent							-
Interest receivable	3,549	1,453	10,213	20	3,474	4,143	22,852
Accounts receivable	5,253	27,261	15,972	13,290			61,776
Taxes receivable							
Unremitted					478		478
Delinquent					1,007		1,007
Special assessments receivable							
Unremitted							-
Delinquent							-
Deferred							-
Intergovernmental receivable			218,686				218,686
Prepaid items		11,534	902				12,436
Total assets	\$ 1,020,802	\$ 787,944	\$ 3,692,716	\$ 21,356	\$ 1,143,973	\$ 1,504,170	\$ 8,170,961
Liabilities and Fund Balances							
Liabilities:							
Interest payable							\$ -
Accounts payable	\$ 5,349	\$ 67,197	\$ 197,008	\$ 7,516	\$ 11,653	\$ 16,589	\$ 305,312
Accrued wages payable	1,472	133,996	5,365	6,200	2,167		149,200
Deposits		500	5,025		13,300	63,775	82,600
Due to other funds		283,527					283,527
Unearned revenue		185,456			3,430		188,886
Total liabilities	6,821	670,676	207,398	13,716	30,550	80,364	1,009,525
Deferred inflows of resources:							
Unavailable revenue - taxes					1,007		1,007
Unavailable revenue - special assessments							-
Total deferred inflows of resources					1,007		1,007
Fund balances:							
Nonspendable		11,534	902				12,436
Restricted	313,149	105,734	3,484,416				3,903,299
Committed	104,918				1,112,416	1,423,806	2,641,140
Assigned	595,914			7,640			603,554
Unassigned							-
Total fund balances	1,013,981	117,268	3,485,318	7,640	1,112,416	1,423,806	7,160,429
Total liabilities, deferred inflows of resources and fund balances	\$ 1,020,802	\$ 787,944	\$ 3,692,716	\$ 21,356	\$ 1,143,973	\$ 1,504,170	\$ 8,170,961

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Debt Service Funds						
	2004 Series B Road Reconstruction and Refunding Bonds	2005 Series A Road Reconstruction and Refunding Bonds	2005 Series B Improvement Refunding Bonds	2005 Series C Capital Improvement Plan Refunding Bonds	2006 Series B Road Reconstruction Bonds	2007 Series A Road Reconstruction Bonds	2008 Series A Road Reconstruction and Refunding Bonds
Assets							
Cash and investments in cash pool				\$ 1,727,208	\$ 39,470	\$ 29,495	\$ 714,108
Cash and investments not in pool							
Cash and investments held with escrow agent				5,798,188	1,390,000	2,190,000	
Interest receivable				2,855			2,133
Accounts receivable							
Taxes receivable							
Unremitted				5,501			
Delinquent				12,905			
Special assessments receivable							
Unremitted					227	143	274
Delinquent					630	2,695	2,478
Deferred					450,444	1,047,965	1,272,507
Intergovernmental receivable							
Prepaid items							
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,546,657</u>	<u>\$ 1,880,771</u>	<u>\$ 3,270,298</u>	<u>\$ 1,991,500</u>
Liabilities and Fund Balances							
Liabilities:							
Interest payable					\$ 163	\$ 90	
Accounts payable					1,950	3,050	
Accrued wages payable							
Deposits							
Due to other funds							
Unearned revenue							
Total liabilities					<u>2,113</u>	<u>3,140</u>	
Deferred inflows of resources:							
Unavailable revenue - taxes				\$ 12,905			
Unavailable revenue - special assessments					<u>451,074</u>	<u>1,050,660</u>	<u>\$ 1,274,985</u>
Total deferred inflows of resources				<u>12,905</u>	<u>451,074</u>	<u>1,050,660</u>	<u>1,274,985</u>
Fund balances:							
Nonspendable							
Restricted	\$ -	\$ -	\$ -	7,533,752	1,427,584	2,216,498	716,515
Committed							
Assigned							
Unassigned							
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,533,752</u>	<u>1,427,584</u>	<u>2,216,498</u>	<u>716,515</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,546,657</u>	<u>\$ 1,880,771</u>	<u>\$ 3,270,298</u>	<u>\$ 1,991,500</u>

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Debt Service Funds						
	2009 Series A Road Reconstruction Bonds	2010 Series A Road Reconstruction Bonds	2010 Series B Road Reconstruction Refunding Bonds	2010 Series C Capital Improvement Plan Bonds	2010 Series A HRA Refunding Bonds	2011 Series A Road Reconstruction Bonds	2011 Series C Road Reconstruction Refunding Bonds
Assets							
Cash and investments in cash pool	\$ 937,097	\$ 585,010	\$ 108,175		\$ 129,144	\$ 639,924	\$ 92,348
Cash and investments not in pool							
Cash and investments held with escrow agent							
Interest receivable	2,821	1,658			418	1,955	151
Accounts receivable							
Taxes receivable							
Unremitted							
Delinquent							
Special assessments receivable							
Unremitted	782	261	370			301	511
Delinquent	1,109	2,561	3,080			1,755	4,513
Deferred	1,836,488	1,429,148	760,182			1,015,848	751,797
Intergovernmental receivable							
Prepaid items							
Total assets	\$ 2,778,297	\$ 2,018,638	\$ 871,807	\$ -	\$ 129,562	\$ 1,659,783	\$ 849,320
Liabilities and Fund Balances							
Liabilities:							
Interest payable			\$ 698				
Accounts payable							
Accrued wages payable							
Deposits							
Due to other funds							
Unearned revenue							
Total liabilities			698				
Deferred inflows of resources:							
Unavailable revenue - taxes							
Unavailable revenue - special assessments	\$ 1,837,597	\$ 1,431,709	763,262			\$ 1,017,603	\$ 756,310
Total deferred inflows of resources	1,837,597	1,431,709	763,262			1,017,603	756,310
Fund balances:							
Nonspendable							
Restricted	940,700	586,929	107,847	\$ -	\$ 129,562	642,180	93,010
Committed							
Assigned							
Unassigned							
Total fund balances	940,700	586,929	107,847	-	129,562	642,180	93,010
Total liabilities, deferred inflows of resources and fund balances	\$ 2,778,297	\$ 2,018,638	\$ 871,807	\$ -	\$ 129,562	\$ 1,659,783	\$ 849,320

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Debt Service Funds						
	2012 Series A Road Reconstruction Refunding Bonds	2013 Series A Improvement Refunding Bonds	2013 Series B Capital Improvement Plan Refunding Bonds	2013 Series C Road Reconstruction Bonds	2013 Series D Refunding Bonds	2013 Series E Capital Improvement Plan Refunding Bonds	2014 Series A Road Reconstruction Bonds
Assets							
Cash and investments in cash pool	\$ 549,249			\$ 522,633	\$ 397,781	\$ 99,765	\$ 97,189
Cash and investments not in pool							
Cash and investments held with escrow agent		\$ 1,886,647	\$ 122,947				
Interest receivable				1,390	1,161	6,069	54
Accounts receivable							
Taxes receivable							
Unremitted							
Delinquent							
Special assessments receivable							
Unremitted	4,650			483	237		
Delinquent	9,880			624	1,987		
Deferred	2,718,205			1,521,876	1,946,866		896,980
Intergovernmental receivable							
Prepaid items							
Total assets	<u>\$ 3,281,984</u>	<u>\$ 1,886,647</u>	<u>\$ 122,947</u>	<u>\$ 2,047,006</u>	<u>\$ 2,348,032</u>	<u>\$ 105,834</u>	<u>\$ 994,223</u>
Liabilities and Fund Balances							
Liabilities:							
Interest payable	\$ 208	\$ 3	\$ 3				
Accounts payable							
Accrued wages payable							
Deposits							
Due to other funds		874	874				
Unearned revenue							
Total liabilities	<u>208</u>	<u>877</u>	<u>877</u>				
Deferred inflows of resources:							
Unavailable revenue - taxes							
Unavailable revenue - special assessments	<u>2,728,085</u>			<u>\$ 1,522,500</u>	<u>\$ 1,948,853</u>		<u>\$ 896,980</u>
Total deferred inflows of resources	<u>2,728,085</u>			<u>1,522,500</u>	<u>1,948,853</u>		<u>896,980</u>
Fund balances:							
Nonspendable							
Restricted	553,691	1,885,770	122,070	524,506	399,179	\$ 105,834	97,243
Committed							
Assigned							
Unassigned							
Total fund balances	<u>553,691</u>	<u>1,885,770</u>	<u>122,070</u>	<u>524,506</u>	<u>399,179</u>	<u>105,834</u>	<u>97,243</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,281,984</u>	<u>\$ 1,886,647</u>	<u>\$ 122,947</u>	<u>\$ 2,047,006</u>	<u>\$ 2,348,032</u>	<u>\$ 105,834</u>	<u>\$ 994,223</u>

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Debt Service Funds		Capital Projects Funds				
	2014 Series B Road Reconstruction Refunding Bonds	Total	Park Land Dedication	Capital Improvement	Long-Term Development	Transit Capital Improvement	State Aid Streets
Assets							
Cash and investments in cash pool		\$ 6,668,596	\$ 5,516,006	\$ 12,964,604	\$ 4,970,669	\$ 2,819,012	\$ 5,214,242
Cash and investments not in pool		-					
Cash and investments held with escrow agent	110,725	11,498,507					
Interest receivable		20,665	17,479	46,350	28,189	10,375	15,959
Accounts receivable		-			71,069		
Taxes receivable		-					
Unremitted		5,501					
Delinquent		12,905					
Special assessments receivable							
Unremitted		8,239					
Delinquent		31,312					
Deferred		15,648,306					
Intergovernmental receivable		-					
Prepaid items		-					
Total assets	<u>\$ 110,725</u>	<u>\$ 33,894,031</u>	<u>\$ 5,533,485</u>	<u>\$ 13,010,954</u>	<u>\$ 5,069,927</u>	<u>\$ 2,829,387</u>	<u>\$ 5,230,201</u>
Liabilities and Fund Balances							
Liabilities:							
Interest payable		\$ 1,165					
Accounts payable		5,000	\$ 350	\$ 714,828	\$ 11,320	\$ 1,113	
Accrued wages payable		-					
Deposits		-					
Due to other funds		1,748					
Unearned revenue		-					
Total liabilities		<u>7,913</u>	<u>350</u>	<u>714,828</u>	<u>11,320</u>	<u>1,113</u>	
Deferred inflows of resources:							
Unavailable revenue - taxes		12,905					
Unavailable revenue - special assessments		<u>15,679,618</u>					
Total deferred inflows of resources		<u>15,692,523</u>					
Fund balances:							
Nonspendable		-					
Restricted	110,725	18,193,595	5,533,135			2,828,274	\$ 5,230,201
Committed		-		9,981,662	5,058,607		
Assigned		-		2,314,464			
Unassigned		-					
Total fund balances	<u>110,725</u>	<u>18,193,595</u>	<u>5,533,135</u>	<u>12,296,126</u>	<u>5,058,607</u>	<u>2,828,274</u>	<u>5,230,201</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 110,725</u>	<u>\$ 33,894,031</u>	<u>\$ 5,533,485</u>	<u>\$ 13,010,954</u>	<u>\$ 5,069,927</u>	<u>\$ 2,829,387</u>	<u>\$ 5,230,201</u>

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Capital Projects Funds						
	Storm Sewer Construction	Improvement Project Financing	Tax Increment Districts	Forest Preservation	2001 Series A Tax Increment Bonds	2010 Series C Capital Improvement Plan Bonds	2011 Improvement Project Financing
Assets							
Cash and investments in cash pool	\$ 13,932,421	\$ 4,033,896	\$ 694,278		\$ 2,978,627	\$ 9,099	\$ 350,783
Cash and investments not in pool							
Cash and investments held with escrow agent							
Interest receivable	45,719	8,610	1,848		9,594		3,222
Accounts receivable							
Taxes receivable							
Unremitted							
Delinquent							
Special assessments receivable							
Unremitted							
Delinquent							
Deferred		782,562					1,127,812
Intergovernmental receivable							
Prepaid items							
Total assets	<u>\$ 13,978,140</u>	<u>\$ 4,825,068</u>	<u>\$ 696,126</u>	<u>\$ -</u>	<u>\$ 2,988,221</u>	<u>\$ 9,099</u>	<u>\$ 1,481,817</u>
Liabilities and Fund Balances							
Liabilities:							
Interest payable							
Accounts payable	\$ 47,767	\$ 471,554	\$ 1,082			\$ 9,099	\$ 6,436
Accrued wages payable							
Deposits							
Due to other funds							
Unearned revenue							
Total liabilities	<u>47,767</u>	<u>471,554</u>	<u>1,082</u>			<u>9,099</u>	<u>6,436</u>
Deferred inflows of resources:							
Unavailable revenue - taxes							
Unavailable revenue - special assessments		<u>782,562</u>					<u>1,127,812</u>
Total deferred inflows of resources		<u>782,562</u>					<u>1,127,812</u>
Fund balances:							
Nonspendable							
Restricted			695,044		\$ 2,988,221		
Committed							
Assigned	13,930,373	3,570,952					347,569
Unassigned				\$ -		-	
Total fund balances	<u>13,930,373</u>	<u>3,570,952</u>	<u>695,044</u>	<u>-</u>	<u>2,988,221</u>	<u>-</u>	<u>347,569</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,978,140</u>	<u>\$ 4,825,068</u>	<u>\$ 696,126</u>	<u>\$ -</u>	<u>\$ 2,988,221</u>	<u>\$ 9,099</u>	<u>\$ 1,481,817</u>

City of Maple Grove, Minnesota

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**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014**

	Capital Projects Funds						
	2012 Improvement Project Financing	2013 Series C Road Reconstruction Bonds	2013 Improvement Project Financing	2014 Series A Road Reconstruction Bonds	2014 Improvement Project Financing	Total	Total Nonmajor Governmental Funds
Assets							
Cash and investments in cash pool	\$ 2,869,899	\$ 158	\$ 1,112,460	\$ 151,163	\$ 311,614	\$ 57,928,931	\$ 71,982,554
Cash and investments not in pool						-	468,699
Cash and investments held with escrow agent						-	11,498,507
Interest receivable	4,741		3,347		84	195,517	239,034
Accounts receivable						71,069	132,845
Taxes receivable							
Unremitted						-	5,979
Delinquent						-	13,912
Special assessments receivable							
Unremitted	(6,720)					(6,720)	1,519
Delinquent	16,255					16,255	47,567
Deferred	354,898		879,140			3,144,412	18,792,718
Intergovernmental receivable						-	218,686
Prepaid items						-	12,436
Total assets	<u>\$ 3,239,073</u>	<u>\$ 158</u>	<u>\$ 1,994,947</u>	<u>\$ 151,163</u>	<u>\$ 311,698</u>	<u>\$ 61,349,464</u>	<u>\$ 103,414,456</u>
Liabilities and Fund Balances							
Liabilities:							
Interest payable				\$ 1,518		\$ 1,518	\$ 2,683
Accounts payable	\$ 13,672	\$ 158	\$ 60,828	8,193	\$ 39,759	1,386,159	1,696,471
Accrued wages payable						-	149,200
Deposits						-	82,600
Due to other funds						-	285,275
Unearned revenue					1,073,458	1,073,458	1,262,344
Total liabilities	<u>13,672</u>	<u>158</u>	<u>60,828</u>	<u>9,711</u>	<u>1,113,217</u>	<u>2,461,135</u>	<u>3,478,573</u>
Deferred inflows of resources:							
Unavailable revenue - taxes						-	13,912
Unavailable revenue - special assessments	<u>371,153</u>		<u>879,140</u>			<u>3,160,667</u>	<u>18,840,285</u>
Total deferred inflows of resources	<u>371,153</u>		<u>879,140</u>			<u>3,160,667</u>	<u>18,854,197</u>
Fund balances:							
Nonspendable						-	12,436
Restricted						17,274,875	39,371,769
Committed						15,040,269	17,681,409
Assigned	2,854,248		1,054,979	141,452		24,214,037	24,817,591
Unassigned		-			(801,519)	(801,519)	(801,519)
Total fund balances	<u>2,854,248</u>	<u>-</u>	<u>1,054,979</u>	<u>141,452</u>	<u>(801,519)</u>	<u>55,727,662</u>	<u>81,081,686</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,239,073</u>	<u>\$ 158</u>	<u>\$ 1,994,947</u>	<u>\$ 151,163</u>	<u>\$ 311,698</u>	<u>\$ 61,349,464</u>	<u>\$ 103,414,456</u>



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City of Maple Grove, Minnesota

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**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Special Revenue Funds						
	Community Resources	Park	Transit	Police Training Facility	HRA	Senior Citizen Housing	Total
Revenues							
Property taxes					\$ 149,453		\$ 149,453
Tax increments							-
Special assessments							-
Fees							-
Intergovernmental revenue	\$ 52,464		\$ 2,721,615		490		2,774,569
Charges for services		\$ 1,462,326	2,028,531	\$ 249,738	223,419	\$ 747,280	4,711,294
Fines and forfeits	16,000						16,000
Investment income	36,999	9,114	106,468	210	36,218	43,206	232,215
Other	200,009	4,460	61,510	10,054	650	1,322	278,005
Total revenues	305,472	1,475,900	4,918,124	260,002	410,230	791,808	8,161,536
Expenditures							
Current:							
General government	54,946						54,946
Community and economic development	40,000				236,199	317,509	593,708
Public safety	313,765			248,799			562,564
Parks and recreation	37,086	5,412,482					5,449,568
Transit			4,445,618				4,445,618
Miscellaneous							-
Interest							-
Capital outlay							-
Debt service:							
Principal retirement							-
Interest and fiscal fees							-
Bond issuance costs							-
Total expenditures	445,797	5,412,482	4,445,618	248,799	236,199	317,509	11,106,404
Excess (deficiency) of revenues over expenditures	(140,325)	(3,936,582)	472,506	11,203	174,031	474,299	(2,944,868)
Other Financing Sources (Uses)							
Bonds issued							-
Refunding bonds issued							-
Premium on bonds issued							-
Refunded principal retirement							-
Sale of capital assets							-
Transfers in		3,943,750					3,943,750
Transfers out	(6,500)		(30,792)	(7,200)	(52,600)	(390,130)	(487,222)
Total other financing sources (uses)	(6,500)	3,943,750	(30,792)	(7,200)	(52,600)	(390,130)	3,456,528
Net change in fund balances	(146,825)	7,168	441,714	4,003	121,431	84,169	511,660
Fund balances, January 1	1,160,806	110,100	3,043,604	3,637	990,985	1,339,637	6,648,769
Fund balances, December 31	\$ 1,013,981	\$ 117,268	\$ 3,485,318	\$ 7,640	\$ 1,112,416	\$ 1,423,806	\$ 7,160,429

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Debt Service Funds						
	2004 Series B Road Reconstruction and Refunding Bonds	2005 Series A Road Reconstruction and Refunding Bonds	2005 Series B Improvement Refunding Bonds	2005 Series C Capital Improvement Plan Refunding Bonds	2006 Series B Road Reconstruction Bonds	2007 Series A Road Reconstruction Bonds	2008 Series A Road Reconstruction and Refunding Bonds
Revenues							
Property taxes				\$ 1,717,099			
Tax increments							
Special assessments	\$ 308,594	\$ 50,762	\$ 354,601		\$ 62,510	\$ 165,527	\$ 176,854
Fees							
Intergovernmental revenue							
Charges for services							
Fines and forfeits							
Investment income	(17,407)	(2,460)	16,511	29,762	(1,702)	(934)	22,240
Other				400			
Total revenues	291,187	48,302	371,112	1,747,261	60,808	164,593	199,094
Expenditures							
Current:							
General government							
Community and economic development							
Public safety							
Parks and recreation							
Transit							
Miscellaneous	850						2,750
Interest							
Capital outlay							
Debt service:							
Principal retirement	665,000	515,000	850,000	1,200,000	95,000	135,000	210,000
Interest and fiscal fees	124,603	50,842	92,100	429,250	78,944	119,992	139,859
Bond issuance costs					18,482	28,908	
Total expenditures	790,453	565,842	942,100	1,629,250	192,426	283,900	352,609
Excess (deficiency) of revenues over expenditures	(499,266)	(517,540)	(570,988)	118,011	(131,618)	(119,307)	(153,515)
Other Financing Sources (Uses)							
Bonds issued							
Refunding bonds issued					1,397,825	2,201,450	
Premium on bonds issued					13,950	17,523	
Refunded principal retirement	(4,925,000)	(2,080,000)	(3,755,000)				
Sale of capital assets							
Transfers in	500,000	550,000	700,000		75,000		
Transfers out	(27,722)	(57,641)	(494,939)				
Total other financing sources (uses)	(4,452,722)	(1,587,641)	(3,549,939)		1,486,775	2,218,973	
Net change in fund balances	(4,951,988)	(2,105,181)	(4,120,927)	118,011	1,355,157	2,099,666	(153,515)
Fund balances, January 1	4,951,988	2,105,181	4,120,927	7,415,741	72,427	116,832	870,030
Fund balances, December 31	\$ -	\$ -	\$ -	\$ 7,533,752	\$ 1,427,584	\$ 2,216,498	\$ 716,515

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Debt Service Funds						
	2009 Series A Road Reconstruction Bonds	2010 Series A Road Reconstruction Bonds	2010 Series B Road Reconstruction Refunding Bonds	2010 Series C Capital Improvement Plan Bonds	2010 Series A HRA Refunding Bonds	2011 Series A Road Reconstruction Bonds	2011 Series C Road Reconstruction Refunding Bonds
Revenues							
Property taxes							
Tax increments							
Special assessments	\$ 188,880	\$ 196,487	\$ 139,059			\$ 124,923	\$ 127,334
Fees							
Intergovernmental revenue							
Charges for services							
Fines and forfeits							
Investment income	29,408	17,294	(7,279)	\$ 60,565	\$ 4,361	20,384	1,572
Other							
Total revenues	<u>218,288</u>	<u>213,781</u>	<u>131,780</u>	<u>60,565</u>	<u>4,361</u>	<u>145,307</u>	<u>128,906</u>
Expenditures							
Current:							
General government							
Community and economic development							
Public safety							
Parks and recreation							
Transit							
Miscellaneous				1,651			
Interest							
Capital outlay							
Debt service:							
Principal retirement	160,000	135,000	315,000	825,000	330,000	85,000	200,000
Interest and fiscal fees	108,324	86,558	71,038	129,067	20,530	66,780	13,817
Bond issuance costs							
Total expenditures	<u>268,324</u>	<u>221,558</u>	<u>386,038</u>	<u>955,718</u>	<u>350,530</u>	<u>151,780</u>	<u>213,817</u>
Excess (deficiency) of revenues over expenditures	<u>(50,036)</u>	<u>(7,777)</u>	<u>(254,258)</u>	<u>(895,153)</u>	<u>(346,169)</u>	<u>(6,473)</u>	<u>(84,911)</u>
Other Financing Sources (Uses)							
Bonds issued							
Refunding bonds issued							
Premium on bonds issued							
Refunded principal retirement				(11,080,000)			
Sale of capital assets							
Transfers in			250,000	1,080,000	350,130		
Transfers out				(234,374)			
Total other financing sources (uses)			<u>250,000</u>	<u>(10,234,374)</u>	<u>350,130</u>		
Net change in fund balances	(50,036)	(7,777)	(4,258)	(11,129,527)	3,961	(6,473)	(84,911)
Fund balances, January 1	<u>990,736</u>	<u>594,706</u>	<u>112,105</u>	<u>11,129,527</u>	<u>125,601</u>	<u>648,653</u>	<u>177,921</u>
Fund balances, December 31	<u>\$ 940,700</u>	<u>\$ 586,929</u>	<u>\$ 107,847</u>	<u>\$ -</u>	<u>\$ 129,562</u>	<u>\$ 642,180</u>	<u>\$ 93,010</u>

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Debt Service Funds						
	2012 Series A Road Reconstruction and Refunding Bonds	2013 Series A Improvement Refunding Bonds	2013 Series B Capital Improvement Plan Refunding Bonds	2013 Series C Road Reconstruction Bonds	2013 Series D Refunding Bonds	2013 Series E Capital Improvement Plan Refunding Bonds	2014 Series A Road Reconstruction Bonds
Revenues							
Property taxes							
Tax increments							
Special assessments	\$ 201,106			\$ 202,791			\$ 96,680
Fees							
Intergovernmental revenue							
Charges for services							
Fines and forfeits							
Investment income	19,715	\$ 26,334	\$ 998	14,487	\$ (1,955)	\$ 2,703	563
Other							
Total revenues	<u>220,821</u>	<u>26,334</u>	<u>998</u>	<u>217,278</u>	<u>(1,955)</u>	<u>2,703</u>	<u>97,243</u>
Expenditures							
Current:							
General government							
Community and economic development							
Public safety							
Parks and recreation							
Transit							
Miscellaneous							
Interest							
Capital outlay							
Debt service:							
Principal retirement	105,000						
Interest and fiscal fees	171,056	909,850	119,850	90,174	151,446	231,243	
Bond issuance costs							
Total expenditures	<u>276,056</u>	<u>909,850</u>	<u>119,850</u>	<u>90,174</u>	<u>151,446</u>	<u>231,243</u>	
Excess (deficiency) of revenues over expenditures	<u>(55,235)</u>	<u>(883,516)</u>	<u>(118,852)</u>	<u>127,104</u>	<u>(153,401)</u>	<u>(228,540)</u>	<u>97,243</u>
Other Financing Sources (Uses)							
Bonds issued							
Refunding bonds issued							
Premium on bonds issued							
Refunded principal retirement							
Sale of capital assets							
Transfers in	27,722				552,580	334,374	
Transfers out							
Total other financing sources (uses)	<u>27,722</u>				<u>552,580</u>	<u>334,374</u>	
Net change in fund balances	(27,513)	(883,516)	(118,852)	127,104	399,179	105,834	97,243
Fund balances, January 1	<u>581,204</u>	<u>2,769,286</u>	<u>240,922</u>	<u>397,402</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, December 31	<u>\$ 553,691</u>	<u>\$ 1,885,770</u>	<u>\$ 122,070</u>	<u>\$ 524,506</u>	<u>\$ 399,179</u>	<u>\$ 105,834</u>	<u>\$ 97,243</u>

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Debt Service Funds		Capital Projects Funds				
	2014 Series B Road Reconstruction Refunding Bonds	Total	Park Land Dedication	Capital Improvement	Long-Term Development	Transit Capital Improvement	State Aid Streets
Revenues							
Property taxes		\$ 1,717,099					
Tax increments		-					
Special assessments		2,396,108					
Fees		-	\$ 637,445				
Intergovernmental revenue		-				\$ 211,427	\$ 290,681
Charges for services		-		\$ 7,770			
Fines and forfeits		-					
Investment income		235,160	214,825	483,210	\$ 264,007	108,166	166,370
Other		400		229,175	1,903,862	38,839	
Total revenues		<u>4,348,767</u>	<u>852,270</u>	<u>720,155</u>	<u>2,167,869</u>	<u>358,432</u>	<u>457,051</u>
Expenditures							
Current:							
General government							
Community and economic development							
Public safety							
Parks and recreation							
Transit							
Miscellaneous		5,251					
Interest							
Capital outlay			267,775	7,626,921	7,400,922	1,290,445	
Debt service:							
Principal retirement		5,825,000					
Interest and fiscal fees		3,205,323					
Bond issuance costs		47,390					
Total expenditures		<u>9,082,964</u>	<u>267,775</u>	<u>7,626,921</u>	<u>7,400,922</u>	<u>1,290,445</u>	
Excess (deficiency) of revenues over expenditures		<u>(4,734,197)</u>	<u>584,495</u>	<u>(6,906,766)</u>	<u>(5,233,053)</u>	<u>(932,013)</u>	<u>457,051</u>
Other Financing Sources (Uses)							
Bonds issued		-					
Refunding bonds issued	\$ 110,725	3,710,000					
Premium on bonds issued		31,473					
Refunded principal retirement		(21,840,000)					
Sale of capital assets		-					
Transfers in		4,419,806		3,650,000	1,917,249		
Transfers out		(814,676)	(500,000)		(625,000)		
Total other financing sources (uses)	<u>110,725</u>	<u>(14,493,397)</u>	<u>(500,000)</u>	<u>3,650,000</u>	<u>1,292,249</u>		
Net change in fund balances	110,725	(19,227,594)	84,495	(3,256,766)	(3,940,804)	(932,013)	457,051
Fund balances, January 1	-	37,421,189	5,448,640	15,552,892	8,999,411	3,760,287	4,773,150
Fund balances, December 31	<u>\$ 110,725</u>	<u>\$ 18,193,595</u>	<u>\$ 5,533,135</u>	<u>\$ 12,296,126</u>	<u>\$ 5,058,607</u>	<u>\$ 2,828,274</u>	<u>\$ 5,230,201</u>

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014**

	Capital Projects Funds						
	Storm Sewer Construction	Improvement Project Financing	Tax Increment Districts	Forest Preservation	2001 Series A Tax Increment Bonds	2010 Series C Capital Improvement Plan Bonds	2011 Improvement Project Financing
Revenues							
Property taxes							
Tax increments			\$ 380,901				
Special assessments		\$ 202,835					\$ 1,340,617
Fees							
Intergovernmental revenue							
Charges for services							
Fines and forfeits							
Investment income	\$ 476,627	95,053	19,264	\$ 29,875	\$ 100,023	\$ (5,295)	33,588
Other		372,989				11,827	
	<u>476,627</u>	<u>670,877</u>	<u>400,165</u>	<u>29,875</u>	<u>100,023</u>	<u>6,532</u>	<u>1,374,205</u>
Expenditures							
Current:							
General government							
Community and economic development							
Public safety							
Parks and recreation							
Transit							
Miscellaneous							
Interest							106,458
Capital outlay	96,395	89,425	320,994		11,557	276,345	949,997
Debt service:							
Principal retirement		470,963					
Interest and fiscal fees							
Bond issuance costs							
	<u>96,395</u>	<u>560,388</u>	<u>320,994</u>		<u>11,557</u>	<u>276,345</u>	<u>1,056,455</u>
Total expenditures	<u>96,395</u>	<u>560,388</u>	<u>320,994</u>		<u>11,557</u>	<u>276,345</u>	<u>1,056,455</u>
Excess (deficiency) of revenues over expenditures	<u>380,232</u>	<u>110,489</u>	<u>79,171</u>	<u>29,875</u>	<u>88,466</u>	<u>(269,813)</u>	<u>317,750</u>
Other Financing Sources (Uses)							
Bonds issued							
Refunding bonds issued							
Premium on bonds issued							
Refunded principal retirement							
Sale of capital assets		1,369,660					
Transfers in						88,022	
Transfers out		(414,022)	(3,000)	(949,249)	(2,500)		
		<u>955,638</u>	<u>(3,000)</u>	<u>(949,249)</u>	<u>(2,500)</u>	<u>88,022</u>	
Total other financing sources (uses)		<u>955,638</u>	<u>(3,000)</u>	<u>(949,249)</u>	<u>(2,500)</u>	<u>88,022</u>	
Net change in fund balances	380,232	1,066,127	76,171	(919,374)	85,966	(181,791)	317,750
Fund balances, January 1	<u>13,550,141</u>	<u>2,504,825</u>	<u>618,873</u>	<u>919,374</u>	<u>2,902,255</u>	<u>181,791</u>	<u>29,819</u>
Fund balances, December 31	<u>\$ 13,930,373</u>	<u>\$ 3,570,952</u>	<u>\$ 695,044</u>	<u>\$ -</u>	<u>\$ 2,988,221</u>	<u>\$ -</u>	<u>\$ 347,569</u>

City of Maple Grove, Minnesota

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Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Capital Projects Funds						
	2012 Improvement Project Financing	2013 Series C Road Reconstruction Bonds	2013 Improvement Project Financing	2014 Series A Road Reconstruction Bonds	2014 Improvement Project Financing	Total	Total Nonmajor Governmental Funds
Revenues							
Property taxes						\$ -	\$ 1,866,552
Tax increments						380,901	380,901
Special assessments	\$ 2,440,450		\$ 5,238,608	\$ 95,960	\$ 441,815	9,760,285	12,156,393
Fees						637,445	637,445
Intergovernmental revenue						502,108	3,276,677
Charges for services						7,770	4,719,064
Fines and forfeits						-	16,000
Investment income	49,426	\$ 14,805	34,891	(15,821)	878	2,069,892	2,537,267
Other			55,611			2,612,303	2,890,708
Total revenues	2,489,876	14,805	5,329,110	80,139	442,693	15,970,704	28,481,007
Expenditures							
Current:							
General government						-	54,946
Community and economic development						-	593,708
Public safety						-	562,564
Parks and recreation						-	5,449,568
Transit						-	4,445,618
Miscellaneous						-	5,251
Interest			64,375		699	171,532	171,532
Capital outlay	217,928	389,527	1,512,788	2,333,394	1,243,513	24,027,926	24,027,926
Debt service:							
Principal retirement						470,963	6,295,963
Interest and fiscal fees						-	3,205,323
Bond issuance costs				25,870		25,870	73,260
Total expenditures	217,928	389,527	1,577,163	2,359,264	1,244,212	24,696,291	44,885,659
Excess (deficiency) of revenues over expenditures	2,271,948	(374,722)	3,751,947	(2,279,125)	(801,519)	(8,725,587)	(16,404,652)
Other Financing Sources (Uses)							
Bonds issued				2,205,000		2,205,000	2,205,000
Refunding bonds issued						-	3,710,000
Premium on bonds issued				15,577		15,577	47,050
Refunded principal retirement						-	(21,840,000)
Sale of capital assets						1,369,660	1,369,660
Transfers in		75,120		200,000		5,930,391	14,293,947
Transfers out		(200,000)				(2,693,771)	(3,995,669)
Total other financing sources (uses)		(124,880)		2,420,577		6,826,857	(4,210,012)
Net change in fund balances	2,271,948	(499,602)	3,751,947	141,452	(801,519)	(1,898,730)	(20,614,664)
Fund balances, January 1	582,300	499,602	(2,696,968)	-	-	57,626,392	101,696,350
Fund balances, December 31	\$ 2,854,248	\$ -	\$ 1,054,979	\$ 141,452	\$ (801,519)	\$ 55,727,662	\$ 81,081,686



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City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Community Resources Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive (Negative)
<i>Revenues</i>			
Intergovernmental revenue	\$ 45,000	\$ 52,464	\$ 7,464
Fines and forfeits	-	16,000	16,000
Investment income	25,000	36,999	11,999
Other	150,000	200,009	50,009
Total revenues	220,000	305,472	85,472
<i>Expenditures</i>			
General government			
Personal services	20,000	30,931	(10,931)
Supplies and other services	30,000	24,014	5,986
Community and economic development			
Capital outlay	40,000	40,000	-
Public safety			
Personal services	2,000	1,875	125
Supplies and other services	70,000	142,424	(72,424)
Capital outlay	175,000	169,467	5,533
Park and recreation			
Supplies and other services	10,000	33,936	(23,936)
Capital outlay	15,000	3,150	11,850
Total expenditures	362,000	445,797	(83,797)
Excess of revenues over expenditures	(142,000)	(140,325)	1,675
<i>Other Financing Sources</i>			
Transfers out	(5,000)	(6,500)	(1,500)
Total other financing uses	(5,000)	(6,500)	(1,500)
Net change in fund balance	(147,000)	(146,825)	175
Fund balance, January 1	1,160,806	1,160,806	-
Fund balance, December 31	\$ 1,013,806	\$ 1,013,981	\$ 175

City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Park Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive (Negative)
<i>Revenues</i>			
Charges for services	\$ 1,315,975	\$ 1,462,326	\$ 146,351
Investment income	-	9,114	9,114
Other	-	4,460	4,460
Total revenues	1,315,975	1,475,900	159,925
<i>Expenditures</i>			
Parks and recreation			
Park administration			
Personal services	1,481,300	1,438,236	43,064
Supplies and other services	394,500	342,989	51,511
Capital outlay	24,200	26,260	(2,060)
Parks			
Personal services	1,051,200	995,981	55,219
Supplies and other services	857,200	751,230	105,970
Capital outlay	394,500	352,553	41,947
Participation programs			
Personal services	877,188	969,460	(92,273)
Supplies and other services	438,788	535,773	(96,986)
Total expenditures	5,518,875	5,412,482	106,393
(Deficiency) of revenues over expenditures	(4,202,900)	(3,936,582)	266,318
<i>Other Financing Sources</i>			
Transfers in	4,202,900	3,943,750	(259,150)
Total other financing sources	4,202,900	3,943,750	(259,150)
Net change in fund balance	-	7,168	7,168
Fund balance, January 1	110,100	110,100	-
Fund balance, December 31	\$ 110,100	\$ 117,268	\$ 7,168

City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Transit Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive (Negative)
<i>Revenues</i>			
Intergovernmental revenue	\$ 2,677,500	\$ 2,721,615	\$ 44,115
Charges for services	2,058,400	2,028,531	(29,869)
Investment income	25,000	106,468	81,468
Other	48,000	61,510	13,510
Total revenues	4,808,900	4,918,124	109,224
<i>Expenditures</i>			
Transit			
Personal services	138,300	120,430	17,870
Supplies and other services	4,639,800	4,325,188	314,612
Total expenditures	4,778,100	4,445,618	332,482
Excess of revenues over expenditures	30,800	472,506	441,706
<i>Other Financing Sources (uses)</i>			
Transfers out	(30,800)	(30,792)	8
Total other financing source (uses)	(30,800)	(30,792)	8
Net change in fund balance	-	441,714	441,714
Fund balance, January 1	3,043,604	3,043,604	-
Fund balance, December 31	<u>\$ 3,043,604</u>	<u>\$ 3,485,318</u>	<u>\$ 441,714</u>

City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Police Training Facility Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive Negative
Revenues			
Charges for services	\$ 258,300	\$ 249,738	\$ (8,562)
Investment income	500	210	(290)
Other	10,200	10,054	(146)
Total revenues	269,000	260,002	(8,998)
Expenditures			
Public safety			
Personal services	138,000	143,833	(5,833)
Supplies and other services	114,000	100,166	13,834
Capital outlay	9,800	4,800	5,000
Total expenditures	261,800	248,799	13,001
Excess of revenues over expenditures	7,200	11,203	4,003
Other Financing (Uses)			
Transfers out	(7,200)	(7,200)	-
Total other financing (uses)	(7,200)	(7,200)	-
Net change in fund balance	-	4,003	4,003
Fund balance, January 1	3,637	3,637	-
Fund balance, December 31	\$ 3,637	\$ 7,640	\$ 4,003

City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
HRA Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive (Negative)
<i>Revenues</i>			
Property taxes	\$ 150,000	\$ 149,453	\$ (547)
Intergovernmental revenue	-	490	490
Charges for services	230,000	223,419	(6,581)
Investment income	-	36,218	36,218
Other	-	650	650
	<hr/>	<hr/>	<hr/>
Total revenues	380,000	410,230	30,230
	<hr/>	<hr/>	<hr/>
<i>Expenditures</i>			
Community and economic development			
Personal services	50,000	41,399	8,601
Supplies and other services	200,000	181,197	18,803
Capital outlay	-	13,603	(13,603)
	<hr/>	<hr/>	<hr/>
Total expenditures	250,000	236,199	13,801
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	130,000	174,031	44,031
	<hr/>	<hr/>	<hr/>
<i>Other Financing Sources (Uses)</i>			
Transfers out	(52,600)	(52,600)	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(52,600)	(52,600)	-
	<hr/>	<hr/>	<hr/>
Net change in fund balance	77,400	121,431	44,031
	<hr/>	<hr/>	<hr/>
Fund balance, January 1	990,985	990,985	-
	<hr/>	<hr/>	<hr/>
Fund balance, December 31	<u>\$ 1,068,385</u>	<u>\$ 1,112,416</u>	<u>\$ 44,031</u>

City of Maple Grove, Minnesota

***Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Senior Citizen Housing Fund
For the Year Ended December 31, 2014***

	Original and Final Budget	Actual	Variance with Budget Positive (Negative)
<i>Revenues</i>			
Charges for services	\$ 735,000	\$ 747,280	\$ 12,280
Investment income	30,000	43,206	13,206
Miscellaneous	1,000	1,322	322
Total revenues	766,000	791,808	25,808
<i>Expenditures</i>			
Community and economic development			
Supplies and other services	300,000	316,389	(16,389)
Capital outlay	50,000	1,120	48,880
Total expenditures	350,000	317,509	32,491
Excess of revenues over expenditures	416,000	474,299	58,299
<i>Other Financing (Uses)</i>			
Transfers out	(390,000)	(390,130)	(130)
Net other financing (uses)	(390,000)	(390,130)	(130)
Net change in fund balance	26,000	84,169	58,169
Fund balance, January 1	1,339,637	1,339,637	-
Fund balance, December 31	\$ 1,365,637	\$ 1,423,806	\$ 58,169

Nonmajor Proprietary Funds

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing goods and services to the general public on a continuing basis be funded or recovered primarily through user charges or where the City has decided that periodic determination of net income is appropriate for accountability purposes.

Recycling Fund – This fund was established to account for recycling activities including curbside pickup, compost site operations and sale of miscellaneous commodities such as waste oil and scrap metal. Funding consists of revenue from the County and user fees.

Street Light Fund – This fund accounts for operation and maintenance of street lights throughout the City. Funding consists of a quarterly fee charged to residential and commercial users in the City.

Sports Dome Fund – This fund accounts for the operations of the sports dome. Funding consists of revenue from area athletic associations and miscellaneous user fees.



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City of Maple Grove, Minnesota

**Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2014**

	Recycling Fund	Street Light Utility Fund	Sports Dome Fund	Totals
Assets				
Current assets				
Cash and investments in cash pool	\$ 1,581,448	\$ 492,114	\$ 150,000	\$ 2,223,562
Cash and investments not in pool			132,131	132,131
Interest receivable	5,262	1,525	484	7,271
Accounts receivable	210,819	192,824	73,295	476,938
	<u>1,797,529</u>	<u>686,463</u>	<u>355,910</u>	<u>2,839,902</u>
Total current assets				
Noncurrent assets				
Capital assets:				
Land improvements			2,023,369	2,023,369
Building			2,725,615	2,725,615
Equipment			76,148	76,148
Less accumulated depreciation			<u>(498,356)</u>	<u>(498,356)</u>
Total noncurrent assets			<u>4,326,776</u>	<u>4,326,776</u>
Total assets	<u>1,797,529</u>	<u>686,463</u>	<u>4,682,686</u>	<u>7,166,678</u>
Liabilities				
Current liabilities				
Accounts payable	74,704	76,323	21,055	172,082
Accrued wages payable	1,201	452	5,500	7,153
	<u>75,905</u>	<u>76,775</u>	<u>26,555</u>	<u>179,235</u>
Total current liabilities				
Total liabilities	<u>75,905</u>	<u>76,775</u>	<u>26,555</u>	<u>179,235</u>
Net Position				
Net investment in capital assets			4,326,776	4,326,776
Unrestricted	1,721,624	609,688	329,355	2,660,667
Total net position	<u>\$ 1,721,624</u>	<u>\$ 609,688</u>	<u>\$ 4,656,131</u>	<u>\$ 6,987,443</u>

City of Maple Grove, Minnesota

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Proprietary Funds

For the Year Ended December 31, 2014

	Recycling Fund	Street Light Utility Fund	Sports Dome Fund	Totals
Operating revenues				
Charges for services	\$ 855,421	\$ 785,419	\$ 353,345	\$ 1,994,185
Intergovernmental	188,793			188,793
Other revenue	21,775			21,775
Total operating revenues	<u>1,065,989</u>	<u>785,419</u>	<u>353,345</u>	<u>2,204,753</u>
Operating expenses				
Personal services	33,562	3,221	87,904	124,687
Supplies		1,181	6,210	7,391
Professional services	1,020			1,020
Repairs and maintenance	4,012	33,681	60,714	98,407
Depreciation			163,604	163,604
Equipment reimbursement			500	500
Insurance	5,508		3,744	9,252
Utilities	1,139,232	712,967	112,357	1,964,556
Other expenses			275	275
Total operating expenses	<u>1,183,334</u>	<u>751,050</u>	<u>435,308</u>	<u>2,369,692</u>
Operating income (loss)	<u>(117,345)</u>	<u>34,369</u>	<u>(81,963)</u>	<u>(164,939)</u>
Nonoperating revenue (expense)				
Investment income	54,852	15,903	2,841	73,596
Total nonoperating revenue (expense)	<u>54,852</u>	<u>15,903</u>	<u>2,841</u>	<u>73,596</u>
Income (loss) before contributions and transfers	(62,493)	50,272	(79,122)	(91,343)
Transfers out	<u>(9,500)</u>		<u>(1,200)</u>	<u>(10,700)</u>
Change in net position	(71,993)	50,272	(80,322)	(102,043)
Total net position, January 1	<u>1,793,617</u>	<u>559,416</u>	<u>4,736,453</u>	<u>7,089,486</u>
Total net position, December 31	<u><u>\$ 1,721,624</u></u>	<u><u>\$ 609,688</u></u>	<u><u>\$ 4,656,131</u></u>	<u><u>\$ 6,987,443</u></u>

City of Maple Grove, Minnesota

**Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014**

	Recycling Fund	Street Light Utility Fund	Sports Dome Fund	Totals
Cash flows from operating activities				
Receipts from customers and users	\$ 854,055	\$ 764,781	\$ 340,172	\$ 1,959,008
Payments to vendors	(1,144,488)	(721,582)	(200,358)	(2,066,428)
Payments to employees	(33,179)	(2,769)	(86,696)	(122,644)
Other receipts	210,568			210,568
Net cash provided (used) by operating activities	<u>(113,044)</u>	<u>40,430</u>	<u>53,118</u>	<u>(19,496)</u>
Cash flows from investing activities				
Investment income	<u>54,889</u>	<u>16,020</u>	<u>2,827</u>	<u>73,736</u>
Cash flows from noncapital financing activities				
Transfers to other funds	<u>(9,500)</u>		<u>(1,200)</u>	<u>(10,700)</u>
Net cash provided (used) by noncapital activities	<u>(9,500)</u>		<u>(1,200)</u>	<u>(10,700)</u>
Increase (decrease) in equity in cash pool	(67,655)	56,450	54,745	43,540
Cash and cash equivalents, January 1	<u>1,649,103</u>	<u>435,664</u>	<u>227,386</u>	<u>2,312,153</u>
Cash and cash equivalents, December 31	<u>\$ 1,581,448</u>	<u>\$ 492,114</u>	<u>\$ 282,131</u>	<u>\$ 2,355,693</u>
Cash and investments in cash pool, December 31	\$ 1,581,448	\$ 492,114	\$ 150,000	\$ 2,223,562
Cash and investments not in pool, December 31			132,131	132,131
Cash and cash equivalents, December 31	<u>\$ 1,581,448</u>	<u>\$ 492,114</u>	<u>\$ 282,131</u>	<u>\$ 2,355,693</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (117,345)	\$ 34,369	\$ (81,963)	\$ (164,939)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation			163,604	163,604
Change in assets and liabilities:				
(Increase) in accounts receivable	(1,366)	(20,638)	(13,173)	(35,177)
Increase (decrease) in accounts payable	5,284	26,247	(16,558)	14,973
Increase in wages payable	383	452	1,208	2,043
Net cash provided (used) by operating activities	<u>\$ (113,044)</u>	<u>\$ 40,430</u>	<u>\$ 53,118</u>	<u>\$ (19,496)</u>



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Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis.

Central Equipment Fund – This fund accounts for service, maintenance and replacement of City vehicles and related equipment. In addition, the fund accounts for major repairs to City buildings and replacement of data processing equipment and park playground equipment.

Employee Benefits Fund - This fund accounts for accrued employee benefits, such as sick leave and vacation.

Insurance Fund – This fund accounts for the insurance premiums and deductibles of the City.



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City of Maple Grove, Minnesota

**Combining Statement of Net Position
Internal Service Funds
December 31, 2014**

	Central Equipment Fund	Employee Benefits Fund	Insurance Fund	Total
Assets				
Current assets				
Cash and investments in cash pool	\$ 20,792,556	\$ 4,655,038	\$ 878,384	\$ 26,325,978
Interest receivable	67,274	14,032	2,814	84,120
Accounts receivable		2,285		2,285
Inventory - parts and fuel	323,707			323,707
Prepaid expense	879			879
	<hr/>	<hr/>	<hr/>	<hr/>
Total current assets	21,184,416	4,671,355	881,198	26,736,969
	<hr/>	<hr/>	<hr/>	<hr/>
Noncurrent assets				
Capital assets				
Equipment	17,531,422			17,531,422
Less accumulated depreciation	(9,673,246)			(9,673,246)
	<hr/>			<hr/>
Total capital assets, net	7,858,176			7,858,176
	<hr/>			<hr/>
Total assets	29,042,592	4,671,355	881,198	34,595,145
	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities				
Current liabilities:				
Accounts payable	434,817	1,175		435,992
Accrued wages payable	19,367	206,520		225,887
Current portion of compensated absences		450,000		450,000
	<hr/>	<hr/>		<hr/>
Total current liabilities	454,184	657,695		1,111,879
	<hr/>	<hr/>		<hr/>
Noncurrent liabilities:				
Compensated absences		3,943,611		3,943,611
	<hr/>	<hr/>		<hr/>
Total liabilities	454,184	4,601,306		5,055,490
	<hr/>	<hr/>		<hr/>
Net position				
Net investment in capital assets	7,858,176			7,858,176
Unrestricted	20,730,232	70,049	881,198	21,681,479
	<hr/>	<hr/>	<hr/>	<hr/>
Total net position	\$ 28,588,408	\$ 70,049	\$ 881,198	\$ 29,539,655
	<hr/>	<hr/>	<hr/>	<hr/>

City of Maple Grove, Minnesota

**Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2014**

	Central Equipment Fund	Employee Benefits Fund	Insurance Fund	Total
Operating revenues				
Charges for services	\$ 1,893,453			\$ 1,893,453
Benefits charges		\$ 3,805,530		3,805,530
Equipment replacement charges	2,038,600			2,038,600
Insurance charges			\$ 499,068	499,068
Miscellaneous income		12,305	84,473	96,778
Total operating revenues	3,932,053	3,817,835	583,541	8,333,429
Operating expenses				
Personal services	517,463	3,834,346		4,351,809
Petroleum products	586,485			586,485
Parts and supplies	26,333			26,333
Professional services		11,500	13,180	24,680
Repairs and maintenance	657,137			657,137
Depreciation	1,004,793			1,004,793
Equipment reimbursement	4,200			4,200
Insurance	2,352		599,653	602,005
Computer service	21,705			21,705
Other expense	242,274		19,346	261,620
Total operating expenses	3,062,742	3,845,846	632,179	7,540,767
Operating income	869,311	(28,011)	(48,638)	792,662
Nonoperating income (expense)				
Investment income	701,346	146,285	29,335	876,966
Gain on sale of assets	52,629			52,629
Total nonoperating income	753,975	146,285	29,335	929,595
Net income before transfers	1,623,286	118,274	(19,303)	1,722,257
Transfers in	87,465			87,465
Transfers out	(992,516)			(992,516)
Change in net position	718,235	118,274	(19,303)	817,206
Net position, January 1	27,870,173	(48,225)	900,501	28,722,449
Net position, December 31	\$ 28,588,408	\$ 70,049	\$ 881,198	\$ 29,539,655

City of Maple Grove, Minnesota

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014**

	Central Equipment Fund	Employee Benefits Fund	Insurance Fund	Total
Cash flows from operating activities				
Receipts from users	\$ 3,932,053	\$ 3,805,530	\$ 499,068	\$ 8,236,651
Payments to vendors	(1,206,468)	(462,056)	(632,179)	(2,300,703)
Payments to employees	(516,082)	(3,454,938)		(3,971,020)
Other receipts		12,305	96,709	109,014
Net cash provided by operating activities	<u>2,209,503</u>	<u>(99,159)</u>	<u>(36,402)</u>	<u>2,073,942</u>
Cash flows from investing activities				
Investment income	<u>699,093</u>	<u>146,278</u>	<u>28,039</u>	<u>873,410</u>
Cash flows from capital financing activities				
Acquisition of capital assets	(2,888,905)			(2,888,905)
Proceeds from sale of equipment	<u>52,629</u>			<u>52,629</u>
Net cash used by capital financing activities	<u>(2,836,276)</u>			<u>(2,836,276)</u>
Cash flows from noncapital financing activities				
Transfers in	<u>62,000</u>			<u>62,000</u>
Net cash provided by noncapital financing activities	<u>62,000</u>			<u>62,000</u>
Increase in equity in cash pool	134,320	47,119	(8,363)	173,076
Cash and cash equivalents, January 1	<u>20,658,236</u>	<u>4,607,919</u>	<u>886,747</u>	<u>26,152,902</u>
Cash and cash equivalents, December 31	<u><u>\$ 20,792,556</u></u>	<u><u>\$ 4,655,038</u></u>	<u><u>\$ 878,384</u></u>	<u><u>\$ 26,325,978</u></u>
Reconciliation of operating income (loss) to cash provided (used) by operating activities				
Operating income (loss)	\$ 869,311	\$ (28,011)	\$ (48,638)	\$ 792,662
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,004,793			1,004,793
Change in assets and liabilities:				
Decrease (increase) in accounts receivable		(199)	12,236	12,037
(Increase) in inventory	(21,894)			(21,894)
(Increase) in prepaid expense	(879)			(879)
Increase (decrease) in accounts payable	356,791	(2)		356,789
Increase decrease in wages payable	1,381	(18,231)		(16,850)
(Decrease) in compensated absences		(52,716)		(52,716)
Net cash provided by operating activities	<u><u>\$ 2,209,503</u></u>	<u><u>\$ (99,159)</u></u>	<u><u>\$ (36,402)</u></u>	<u><u>\$ 2,073,942</u></u>
Noncash capital financing activities				
Transfer of equipment from other funds	\$ 25,465			\$ 25,465
Transfer of equipment to other funds	(992,516)			(992,516)



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Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.

Agency Funds are as follows:

PUPS Impound Facility Fund – This fund accounts for the operation of a animal impoundment facility used by seven cities. The City provides the accounting and reporting for the facility.

Deposit and Escrow Fund – This fund accounts for escrow deposits from developers and contractors.

City of Maple Grove, Minnesota

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

	Balance 1/1/2014	Additions	Deductions	Balance 12/31/2014
PUPS Impound Facility Fund				
Assets				
Cash and investments in cash pool	\$ 32,019	\$ 182,663	\$ 184,658	\$ 30,024
Interest receivable	137	115	137	115
Intergovernmental receivable	22,984	148,190	147,000	24,174
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 55,140	\$ 330,968	\$ 331,795	\$ 54,313
	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities				
Accounts payable	\$ 4,080	\$ 46,715	\$ 47,859	\$ 2,936
Accrued wages payable	4,917	2,214	4,917	2,214
Due to other governments	46,143	175,079	172,059	49,163
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	\$ 55,140	\$ 224,008	\$ 224,835	\$ 54,313
	<hr/>	<hr/>	<hr/>	<hr/>
Deposit and Escrow Fund				
Assets				
Cash and investments in cash pool	\$ 2,711,575	\$ 789,951	\$ 1,119,396	\$ 2,382,130
Interest receivable	7,120	7,324	7,120	7,324
Accounts receivable	-	1,500	-	1,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 2,718,695	\$ 798,775	\$ 1,126,516	\$ 2,390,954
	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities				
Accounts payable	\$ 13,233	\$ 692,708	\$ 703,040	\$ 2,901
Deposits	2,705,462	898,936	1,216,345	2,388,053
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	\$ 2,718,695	\$ 1,591,644	\$ 1,919,385	\$ 2,390,954
	<hr/>	<hr/>	<hr/>	<hr/>
Total Agency Funds				
Assets				
Cash and investments in cash pool	\$ 2,743,594	\$ 972,614	\$ 1,304,054	\$ 2,412,154
Interest receivable	7,257	7,439	7,257	7,439
Accounts receivable	-	1,500	-	1,500
Intergovernmental receivable	22,984	148,190	147,000	24,174
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 2,773,835	\$ 1,129,743	\$ 1,458,311	\$ 2,445,267
	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities				
Accounts payable	\$ 17,313	\$ 739,423	\$ 750,899	\$ 5,837
Accrued wages payable	4,917	2,214	4,917	2,214
Due to other governments	46,143	175,079	172,059	49,163
Deposits	2,705,462	898,936	1,216,345	2,388,053
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	\$ 2,773,835	\$ 1,815,652	\$ 2,144,220	\$ 2,445,267
	<hr/>	<hr/>	<hr/>	<hr/>

STATISTICAL SECTION

Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and notes to the financial statements says about the City's overall financial health.

Financial Trends – These schedules contain trend information to understand how the City's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity – These schedules contain information to assess the City's most significant local revenue sources, property taxes and special assessments.

- Assessed Value/Tax Capacity and Estimated Market Value of All Taxable Property
- Property Tax Rates - Direct and Overlapping Governments
- Principal Property Taxpayers
- Property Tax Levies and Collections
- Special Assessment Levies and Collections

Debt Capacity – These schedules present information to assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information
- Pledged Revenue Bond Coverage

Demographic and Economic Information – The schedule offers demographic and economic indicators to understand the environment within which the City's financial activities take place.

- Demographic and Economic Statistics
- Principal Employers

Operating Information – These schedules contain service and infrastructure data to understand how the information in the City's financial report relate to the services the City provides and the activities it performs.

- Full-time Equivalent City Employees by Function
- Operating Indicators by Function
- Capital Asset Statistics by Function



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City of Maple Grove, Minnesota
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Invested in capital assets	\$ 103,336,820	\$ 130,735,237	\$ 149,779,041	\$ 167,381,538	\$ 182,337,377	\$ 174,868,239	\$ 171,986,652	\$ 174,543,738	\$ 181,754,891	\$ 160,532,853
Restricted	24,869,382	27,793,716	20,780,485	18,201,546	17,887,602	21,367,271	21,199,322	22,268,172	74,921,168	31,084,138
Unrestricted	125,212,110	186,116,680	203,517,344	202,842,779	206,162,772	204,994,401	214,741,244	209,795,114	157,266,360	227,805,820
Total governmental activities net position	\$ 253,418,312	\$ 344,645,633	\$ 374,076,870	\$ 388,425,863	\$ 406,387,751	\$ 401,229,911	\$ 407,927,218	\$ 406,607,024	\$ 413,942,419	\$ 419,422,811
Business-type activities										
Invested in capital assets	\$ 102,278,455	\$ 113,483,516	\$ 118,791,954	\$ 119,256,180	\$ 125,677,718	\$ 123,903,828	\$ 128,069,020	\$ 126,506,673	\$ 129,860,127	\$ 131,227,162
Unrestricted	59,630,984	56,464,793	59,499,269	61,400,802	61,646,274	62,192,212	70,768,745	73,257,978	65,222,109	63,419,383
Total business-type activities net position	\$ 161,909,439	\$ 169,948,309	\$ 178,291,223	\$ 180,656,982	\$ 187,323,992	\$ 186,096,040	\$ 198,837,765	\$ 199,764,651	\$ 195,082,236	\$ 194,646,545
Primary government										
Invested in capital assets	\$ 205,615,275	\$ 244,218,753	\$ 268,570,995	\$ 286,637,718	\$ 308,015,095	\$ 298,772,067	\$ 300,055,672	\$ 301,050,411	\$ 311,615,018	\$ 291,760,015
Restricted	24,869,382	27,793,716	20,780,485	18,201,546	17,887,602	21,367,271	21,199,322	22,268,172	74,921,168	31,084,138
Unrestricted	184,843,094	242,581,473	263,016,613	264,243,581	267,809,046	267,186,613	285,509,989	283,053,092	222,488,469	291,225,203
Total primary government net position	\$ 415,327,751	\$ 514,593,942	\$ 552,368,093	\$ 569,082,845	\$ 593,711,743	\$ 587,325,951	\$ 606,764,983	\$ 606,371,675	\$ 609,024,655	\$ 614,069,356

Note: The City implemented GASB Statement No. 65 in 2013. The net position for 2012 has been restated for this accounting change. Fiscal years prior to 2012 have not been restated.

City of Maple Grove, Minnesota
Changes in Net Position
Last Ten Fiscal Years

1 of 2

	Fiscal Year										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Expenses											
Governmental activities:											
General government	\$ 5,958,644	\$ 6,171,164	\$ 6,237,968	\$ 7,444,453	\$ 6,860,725	\$ 7,369,884	\$ 7,004,986	\$ 8,250,116	\$ 7,519,568	\$ 8,472,863	
Community and economic development	1,754,111	1,936,785	2,275,419	3,359,651	2,054,999	8,009,935	2,216,472	2,518,378	1,803,785	2,028,640	
Public safety	10,778,857	11,182,196	12,068,870	13,609,638	12,576,798	13,779,449	14,070,200	14,513,896	14,793,605	15,705,473	
Public works	20,124,632	18,889,312	25,715,614	19,479,198	19,202,390	43,076,462	28,841,393	26,003,221	21,368,170	20,606,514	
Parks and recreation	4,444,326	4,597,008	4,795,130	5,194,021	5,303,239	5,183,201	5,614,901	5,774,745	6,242,350	13,621,308	
Transit	2,901,835	3,295,316	3,431,694	4,116,581	4,216,219	4,150,416	4,588,928	4,807,302	5,369,450	5,258,910	
Conservation of natural resources	475,116	340,781	379,968	550,414	521,767	559,027	582,258	542,473	612,155	563,653	
Interest on long-term debt	2,909,746	3,031,791	5,616,080	4,484,315	4,208,305	4,239,490	4,370,322	4,101,895	4,591,636	4,227,793	
Total governmental activities expenses	49,347,267	49,444,353	60,520,743	58,238,271	54,962,442	86,367,864	67,289,460	66,512,026	62,300,719	70,485,154	
Business-type activities:											
Water	4,090,260	4,326,375	4,850,728	5,233,044	4,832,677	4,848,011	5,044,074	6,071,510	8,290,734	5,737,648	
Sewer	5,018,582	5,162,048	5,121,982	5,434,063	5,896,882	6,077,160	6,445,861	6,168,111	6,391,395	6,722,073	
Community center	2,860,023	2,906,179	2,942,142	3,099,746	3,377,494	3,429,699	3,528,459	3,614,497	3,782,728	3,923,424	
Recycling	565,587	464,279	472,657	439,199	1,113,323	1,187,379	1,217,532	1,262,594	1,148,976	1,183,334	
Street lighting	519,418	605,991	626,142	669,470	718,556	648,232	698,981	791,970	833,214	751,050	
Sports dome							60,142	359,760	402,168	435,308	
Total business-type activities expenses	13,053,870	13,464,872	14,013,651	14,875,522	15,938,932	16,190,481	16,995,049	18,268,442	20,849,215	18,752,837	
Total primary government expenses	\$ 62,401,137	\$ 62,909,225	\$ 74,534,394	\$ 73,113,793	\$ 70,901,374	\$ 102,558,345	\$ 84,284,509	\$ 84,780,468	\$ 83,149,934	\$ 89,237,991	
Program Revenues											
Governmental activities:											
Charges for services											
General government	\$ 856,621	\$ 421,407	\$ 1,953,074	\$ 472,612	\$ 528,107	\$ 1,432,217	\$ 1,428,697	\$ 879,415	\$ 929,184	\$ 964,425	
Community and economic development	1,052,887	1,010,922	1,023,632	1,004,620	1,228,484	1,065,895	1,063,797	1,159,129	1,203,894	1,451,291	
Public safety	3,253,616	4,230,523	3,444,263	3,172,619	2,336,819	3,082,510	2,521,834	2,653,947	3,391,723	3,474,194	
Public works	2,113,463	2,092,357	2,065,901	1,475,185	1,913,768	1,894,502	2,064,161	1,291,771	1,373,811	1,651,394	
Parks and recreation	1,284,811	1,341,946	1,326,074	1,350,197	1,406,203	1,489,767	1,428,079	1,465,336	1,500,805	1,500,805	
Transit	1,067,313	1,263,488	1,387,805	2,251,062	2,002,289	1,910,577	2,025,154	2,079,855	2,113,201	2,087,636	
Conservation of natural resources											
Operating grants and contributions	3,483,182	3,743,402	3,901,405	4,292,874	4,373,629	4,277,431	3,051,960	1,914,424	3,146,532	4,795,150	
Capital grants and contributions	19,751,865	97,400,854	39,529,861	21,298,830	30,838,521	26,438,300	33,015,959	16,537,056	26,105,830	20,119,334	
Total governmental activities program revenues	32,863,758	111,504,899	54,632,015	35,317,999	44,627,820	41,591,199	46,596,599	27,943,676	39,729,511	36,044,229	
Business-type activities:											
Charges for services											
Water	3,260,608	3,684,391	3,926,313	3,568,068	3,608,799	3,416,715	3,407,042	4,655,580	4,427,737	3,844,367	
Sewer	4,081,613	4,897,055	4,056,499	4,072,410	3,946,097	4,009,389	5,228,626	6,864,220	5,724,825	5,593,061	
Community center	1,709,711	1,817,857	1,714,637	1,833,970	2,168,137	2,256,660	2,226,434	2,401,106	2,495,032	2,571,706	
Recycling	628,733	641,833	645,689	683,444	1,267,948	1,355,811	1,373,918	1,287,214	1,125,891	1,065,989	
Street lighting	602,025	621,917	617,178	622,714	637,473	655,409	667,461	657,110	717,757	785,419	
Sports dome							69,184	304,336	356,330	353,345	
Capital grants and contributions	4,460,372	7,938,260	8,641,406	3,431,470	1,668,806	1,611,080	1,466,849	1,612,725	3,344,903	2,898,778	
Total business-type activities revenues	14,743,062	19,601,313	19,601,722	14,212,076	13,297,260	13,305,064	14,439,514	17,782,291	18,192,475	17,112,665	
Total primary government revenues	\$ 47,606,820	\$ 131,106,212	\$ 74,233,737	\$ 49,530,075	\$ 57,925,080	\$ 54,896,263	\$ 61,036,113	\$ 45,725,967	\$ 57,921,986	\$ 53,156,894	
Net (expense)/revenue											
Governmental activities	\$ (16,483,509)	\$ 62,060,546	\$ (5,888,728)	\$ (22,920,272)	\$ (10,334,622)	\$ (44,776,665)	\$ (20,692,861)	\$ (38,568,350)	\$ (22,571,208)	\$ (34,440,925)	
Business-type activities	1,689,192	6,136,441	5,588,071	(663,446)	(2,641,672)	(2,885,417)	(2,555,535)	(486,151)	(2,656,740)	(1,640,172)	
Total primary government net (expense)/revenue	\$ (14,794,317)	\$ 68,196,987	\$ (300,657)	\$ (23,583,718)	\$ (12,976,294)	\$ (47,662,082)	\$ (23,248,396)	\$ (39,054,501)	\$ (25,227,948)	\$ (36,081,097)	

City of Maple Grove, Minnesota
Changes in Net Position
Last Ten Fiscal Years

2 of 2

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Sources in Net Position										
Governmental activities:										
Property taxes levied for general purpose	\$ 18,342,197	\$ 20,020,563	\$ 21,962,101	\$ 23,977,292	\$ 24,972,780	\$ 29,446,638	\$ 28,437,956	\$29,166,955	\$29,458,083	\$30,579,940
Property taxes levied for debt service	1,443,866	1,435,618	1,491,775	1,648,396	2,325,278	1,565,189	1,737,085	1,720,822	1,710,379	1,717,099
Property taxes levied for housing and redevelopment	143,314	143,548	143,399	145,240	143,297	146,410	145,439	148,828	148,167	149,453
Property taxes from tax increments	2,008,251	2,123,098	2,849,085	2,963,942	2,887,342	1,896,593	1,138,298	1,155,390	371,834	380,901
Other taxes	138,176	124,596	140,198	220,199	628,413	823,729	380,907	359,676	122,251	181,580
Grants and contributions not restricted to specific programs	6,855	19,960	794,463	387,805	7,670	7,711	6,350	4,020	578	505
Investment income	1,946,728	4,688,700	7,166,544	7,389,459	4,516,545	5,113,134	7,695,400	4,554,287	(2,814,432)	5,460,003
Gain on sale of capital assets		392	43,000	53,473	85,160	16,854	113,110		34,743	695,586
Transfers	2,757,000	610,500	729,400	483,459	(7,269,975)	602,566	(12,264,377)	677,213	875,000	756,250
Total governmental activities	26,786,387	29,166,775	35,319,965	37,269,265	28,296,510	39,618,824	27,390,168	37,787,191	29,906,603	39,921,317
Business-type activities										
Investment income	1,318,580	2,512,929	3,484,243	3,512,664	2,038,707	2,260,031	3,032,883	2,109,133	(1,150,675)	1,960,731
Transfers	(2,757,000)	(610,500)	(729,400)	(483,459)	7,269,975	(602,566)	12,264,377	(677,213)	(875,000)	(756,250)
Total business-type activities	(1,438,420)	1,902,429	2,754,843	3,029,205	9,308,682	1,657,465	15,297,260	1,431,920	(2,025,675)	1,204,481
Total primary government	\$25,347,967	\$31,069,204	\$38,074,808	\$40,298,470	\$37,605,192	\$41,276,289	\$42,687,428	\$39,219,111	\$27,880,928	\$41,125,798
Change in Net Position										
Governmental activities	\$ 10,302,878	\$ 91,227,321	\$ 29,431,237	\$ 14,348,993	\$ 17,961,888	\$ (5,157,841)	\$ 6,697,307	\$ (781,159)	\$ 7,335,395	\$ 5,480,392
Business-type activities	250,772	8,038,870	8,342,914	2,365,759	6,667,010	(1,227,952)	12,741,725	945,769	(4,682,415)	(435,691)
Total primary government	\$ 10,553,650	\$ 99,266,191	\$ 37,774,151	\$ 16,714,752	\$ 24,628,898	\$ (6,385,793)	\$ 19,439,032	\$ 164,610	\$ 2,652,980	\$ 5,044,701

***City of Maple Grove, Minnesota
Fund Balances of Governmental Funds
Last Ten Fiscal Years***

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
			Pre-GASB 54					Post-GASB 54		
General Fund										
Reserved	\$ 45,222	\$ 3,043	\$ 55,359	\$ 45,422	\$ 35,374					
Unreserved	3,988,104	4,831,637	5,769,425	6,358,102	6,723,213					
Nonspendable										
Unassigned						\$ 40,430	\$ 38,329	\$ 61,045	\$ 33,968	\$ 45,448
						6,838,489	7,022,404	7,025,280	7,110,270	7,211,419
Total general fund	<u>\$ 4,033,326</u>	<u>\$ 4,834,680</u>	<u>\$ 5,824,784</u>	<u>\$ 6,403,524</u>	<u>\$ 6,758,587</u>	<u>\$ 6,878,919</u>	<u>\$ 7,060,733</u>	<u>\$ 7,086,325</u>	<u>\$ 7,144,238</u>	<u>\$ 7,256,867</u>
All other governmental funds										
Reserved	\$ 18,694,609	\$ 18,949,053	\$ 10,097,580	\$ 6,853,289	\$ 7,817,145					
Unreserved										
Special revenue funds	12,676,818	16,296,393	19,703,665	22,478,003	22,517,793					
Debt service funds	(279,238)	(852,743)	(2,238,132)	(2,649,215)	(540,922)					
Capital projects funds	14,753,520	50,439,429	59,411,248	57,737,807	63,715,177					
Nonspendable						\$ 11,888	\$ 13,093	\$ 123,512	\$ 8,306	\$ 12,436
Restricted						51,595,484	42,564,087	38,597,880	90,786,445	70,247,939
Comitted						34,601,296	37,913,386	42,983,556	46,175,816	39,964,624
Assigned						39,430,199	46,656,504	49,516,561	51,266,061	58,478,572
Unassigned						(4,796,251)	(4,694,682)	(3,658,750)	(2,696,968)	(801,519)
Total all other governmental funds	\$ 45,845,709	\$ 84,832,132	\$ 86,974,361	\$ 84,419,884	\$ 93,509,193	\$ 120,842,616	\$ 122,452,388	\$ 127,562,759	\$ 185,539,660	\$ 167,902,052

Note: City implemented GASB 54 in 2011 and 2010 data restated for GASB 54 presentation.

City of Maple Grove, Minnesota
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property taxes	\$ 20,067,553	\$ 21,724,125	\$ 23,737,473	\$ 25,991,127	\$ 28,069,768	\$ 31,981,966	\$ 30,701,387	\$ 31,396,281	\$ 31,438,880	\$ 32,485,357
Tax increments	2,008,251	2,123,098	2,849,085	2,963,942	2,887,342	1,896,593	1,138,298	1,155,390	371,834	380,901
Special assessments	16,713,944	27,297,144	27,750,719	18,736,278	22,575,738	21,936,944	15,552,275	15,785,506	23,740,532	17,193,218
Licenses, permits and fees	6,277,386	7,002,868	5,079,224	3,702,296	2,797,015	2,685,267	2,985,495	2,861,767	3,938,283	4,012,759
Intergovernmental revenue	4,422,400	4,996,166	6,353,825	5,710,980	17,297,099	11,820,423	15,635,921	2,916,063	10,633,974	6,386,213
Charges for services	5,062,833	5,284,247	6,802,580	5,858,396	6,316,158	5,253,466	5,185,658	5,276,310	5,557,359	5,580,895
Fines and forfeits	453,380	430,669	398,739	355,726	393,176	420,732	446,248	475,793	477,786	521,817
Investment income	1,606,555	3,420,663	5,695,032	6,130,153	3,819,071	4,177,720	6,407,761	3,739,920	(2,324,760)	4,583,037
Other	2,398,762	3,438,532	3,032,050	1,614,407	5,689,839	9,156,030	13,870,407	6,121,511	2,200,521	4,147,470
Total revenues	59,011,064	75,717,512	81,698,727	71,063,305	89,845,206	89,329,141	91,923,450	69,728,541	76,034,409	75,291,667
Expenditures										
General government	5,584,296	5,801,351	5,758,693	6,451,615	7,070,576	6,045,736	5,803,725	6,612,695	6,314,265	6,842,050
Community and economic development	1,614,009	1,686,934	1,325,923	1,575,624	1,303,763	1,171,139	1,155,335	1,137,893	1,193,030	1,187,840
Public safety	10,560,762	11,260,266	12,100,085	12,862,431	13,220,667	13,699,087	13,919,863	14,002,854	14,507,275	15,544,774
Public works	4,513,605	4,373,810	5,167,803	4,823,114	5,199,195	5,218,328	5,730,106	5,287,909	5,457,317	5,467,206
Conservation of natural resources	266,311	340,781	379,968	550,414	521,767	559,027	582,258	542,473	612,155	563,653
Parks and recreation	5,036,142	4,995,518	5,235,874	5,480,466	5,307,632	7,773,913	5,157,954	5,272,061	5,459,472	5,449,568
Transit	2,557,742	3,080,605	3,240,809	3,779,685	10,034,251	6,682,553	4,898,045	4,384,486	4,447,227	4,445,618
Miscellaneous	184,083	108,317	117,720	164,423	390,822	206,855	146,683	108,667	140,219	117,951
Interest	1,134,797	1,349,910	1,772,944	1,144,759	927,889	358,278	316,113	149,152	84,169	171,532
Capital outlay	32,687,585	45,286,421	29,043,962	28,127,136	30,526,906	31,915,362	35,942,412	22,117,176	23,158,702	26,095,168
Debt service:										
Principal retirement	7,197,130	3,440,893	3,670,000	4,265,000	7,437,545	5,540,000	5,858,578	7,010,000	7,190,000	8,145,963
Interest and fiscal fees	3,129,140	2,414,958	4,492,445	4,459,531	4,374,190	4,251,087	4,349,769	4,201,787	4,593,492	4,880,473
Bond issuance costs	184,439	101,891	28,678	49,351	41,094	154,768	61,368	70,949	271,319	73,260
Payment to refunded bond escrow agent	2,029,998									
Total expenditures	76,680,039	84,241,655	72,334,904	73,733,549	86,356,297	83,576,133	83,922,207	70,898,102	73,428,642	78,985,056
Excess (deficiency) of revenues over expenditures	(17,668,975)	(8,524,143)	9,363,823	(2,670,244)	3,488,909	5,753,008	8,001,243	(1,169,561)	2,605,767	(3,693,389)
Other Financing Sources (Uses)										
Proceeds from certificates of indebtedness issued				590,000						
Bonds issued	1,350,000	45,535,000	3,310,000	3,585,000	3,720,000	16,925,000	2,195,000	3,365,000	3,905,000	2,205,000
Refunding bonds issued	30,890,000			655,000		5,425,000	1,250,000	4,935,000	47,840,000	3,710,000
Premium on bonds issued	1,108,625	1,863,055	(37,764)	3,929	(36,414)	71,547	(28,575)	195,532	5,086,347	47,050
Discount on bonds issued		(29,445)	95,000	(11,716)	100,000	(205,250)				
Loans issued				100,000		90,046		186,292	(1,990,000)	(21,840,000)
Refunded principal retirement	(23,255,230)	(37,083)	(10,257,126)	(4,640,165)			(1,975,000)	(3,345,000)		
Payment to refunded bond escrow agent	2,137,130	440,893			1,476,877					1,369,660
Sale of capital assets	26,244,855	11,405,573	8,193,370	17,547,947	46,113,863	14,424,310	36,308,981	12,532,994	18,100,071	14,858,739
Transfers in							(43,960,063)	(11,564,294)	(17,512,371)	(14,182,039)
Transfers out	(23,558,855)	(10,866,073)	(7,534,970)	(17,135,488)	(45,418,863)	(14,714,810)				
Total other financing sources (uses)	14,916,525	48,311,920	(6,231,490)	694,507	5,955,463	22,015,843	(6,209,657)	6,305,524	55,429,047	(13,831,590)
Net change in fund balances	\$ (2,752,450)	\$ 39,787,777	\$ 3,132,333	\$ (1,975,737)	\$ 9,444,372	\$ 27,768,851	\$ 1,791,586	\$ 5,135,963	\$ 58,034,814	\$ (17,524,979)
Debt service as a percentage of noncapital expenditures	23.8%	13.1%	15.0%	17.5%	19.1%	12.2%	15.7%	18.4%	21.1%	20.0%

City of Maple Grove, Minnesota
Assessed Value/Tax Capacity and
Estimated Market Value of Taxable Property¹
Last Ten Fiscal Years
(amounts in thousands)

	Taxes Payable 2005	Taxes Payable 2006	Taxes Payable 2007	Taxes Payable 2008	Taxes Payable 2009	Taxes Payable 2010	Taxes Payable 2011	Taxes Payable 2012	Taxes Payable 2013	Taxes Payable 2014
<u>Real property</u>										
Estimated market value	\$ 6,053,256	\$ 6,731,368	\$ 7,461,267	\$ 8,157,060	\$ 8,269,689	\$ 7,930,265	\$ 7,526,018	\$ 7,358,166	\$ 6,923,696	\$ 6,997,821
Tax capacity	69,370	77,066	86,843	97,171	100,183	95,697	90,784	85,238	79,532	80,123
<u>Personal property</u>										
Estimated market value	48,077	49,415	54,138	54,928	57,332	58,579	61,787	63,717	71,033	73,996
Tax capacity	952	978	1,071	1,090	1,137	1,161	1,225	1,260	1,407	1,466
<u>Total before adjustments</u>										
Estimated market value	6,101,333	6,780,783	7,515,405	8,211,988	8,327,021	7,988,844	7,587,805	7,421,883	6,994,729	7,071,817
Tax capacity	70,322	78,044	87,914	98,261	101,320	96,858	92,009	86,498	80,939	81,589
<u>Adjustments to tax capacity</u>										
Area wide allocation - Fiscal disparities	(2,463)	(3,377)	(3,188)	(4,281)	(5,891)	(6,641)	(5,431)	(6,027)	(5,163)	(4,746)
Tax increment districts	(1,950)	(2,114)	(3,113)	(3,345)	(3,306)	(2,332)	(1,034)	(974)	(315)	(301)
Other adjustments	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Net tax capacity	\$ 65,906	\$ 72,550	\$ 81,610	\$ 90,632	\$ 92,120	\$ 87,882	\$ 85,541	\$ 79,494	\$ 75,458	\$ 76,539
Total City direct tax capacity based rates	30.677	28.977	30.169	29.318	31.259	33.845	36.714	39.450	42.142	42.267
Total City direct market value based rates ²	0.00855	0.00763	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Percent of total tax capacity to estimated market value	1.15%	1.15%	1.17%	1.20%	1.22%	1.21%	1.21%	1.17%	1.16%	1.15%

Source: City Assessing Department

¹ Property values are determined on January 2 of the preceding year.

² Property taxes for citizen approved bond and levy referendums are based on market values rather than tax capacity values.

City of Maple Grove, Minnesota
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Year Collectible	City of Maple Grove										Hennepin County										Overlapping Rates																			
	General					Debt					Total					Referendum ²					Total					Referendum ²					Total					Other				
	Tax Capacity		Levy		Total	Tax Capacity		Levy		Total	Tax Capacity		Levy		Total	Tax Capacity		Levy		Total	Tax Capacity		Levy		Total	Tax Capacity		Levy		Total	Tax Capacity		Levy							
	Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value		Based	Market Value	Based	Market Value	Based	Market Value				
	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value	Based	Market Value								
2005	29.244	1.433	30.677	0.00855	44.172	0.01595	279	284	24.336	0.15982	7.608	106.793	0.18432	103.163	0.14523																									
2006	28.977	1.295	30.272	0.00763	41.016	0.01585	279	284	21.815	0.17045	7.204	100.307	0.19393	100.385	0.18994																									
2007	28.312	1.857	30.169	0.00000	39.110	0.01571	279	284	23.758	0.17155	7.493	100.530	0.18726	97.017	0.16914																									
2008	27.488	1.830	29.318	0.00000	38.571	0.01584	279	284	19.710	0.20475	7.827	95.426	0.22059	95.384	0.16323																									
2009	28.667	2.592	31.259	0.00000	40.413	0.01096	279	284	21.033	0.20487	7.317	100.022	0.21583	99.395	0.17978																									
2010	32.056	1.789	33.845	0.00000	42.640	0.00000	279	284	22.381	0.21123	8.310	107.176	0.21123	108.106	0.16396																									
2011	34.664	2.050	36.714	0.00000	45.840	0.00000	279	284	24.217	0.23032	9.348	116.119	0.23032	115.936	0.17801																									
2012	37.253	2.197	39.450	0.00000	48.231	0.00000	279	284	24.930	0.25181	9.713	122.324	0.25181	122.719	0.19106																									
2013	42.142	0.000	42.142	0.00000	49.461	0.00000	279	284	27.973	0.26813	10.289	129.865	0.26813	127.128	0.20569																									
2014	42.267	0.000	42.267	0.00000	49.959	0.00000	279	284	29.819	0.30947	10.757	132.802	0.30947	127.554	0.21689																									

City of Maple Grove, Minnesota
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2014			2005		
		(1) Tax Capacity	Rank	% of Total Tax Capacity	(1) Tax Capacity	Rank	% of Total Tax Capacity
Kimco LLC	Commercial	\$ 1,552,843	1	2.0 %			
KIR Maple Grove LP	Commercial	1,389,484	2	1.8	\$ 1,128,006	3	1.7 %
Prisa Arbor Lakes LLC	Commercial	1,290,704	3	1.7	1,686,500	1	2.6
Boston Scientific/SciMed	Industrial	1,207,377	4	1.6	793,050	4	1.2
Tiller Corporation	Gravel Mining	628,557	5	0.8	1,223,302	2	1.9
DDRA Maple Grove Crossing	Commercial	604,044	6	0.8	549,090	5	0.8
North Memorial Health Care	Commercial	547,460	7	0.7			
Fairview Health Services	Commercial	525,150	8	0.7			
Grove Square Ltd Partnership	Commercial	411,676	9	0.5	338,284	8	
Great River Energy	Commercial	385,250	10	0.5			
Xcel Energy	Utilities				482,990	6	0.7
Peak Limited Partnership	Industrial				342,370	7	0.5
Town Center Partnership LLP	Commercial				309,466	9	0.5
Mallard Ridge/Bigos LLP	Commercial				279,415	10	0.4
Total tax capacity principal property taxpayers		<u>\$ 8,542,545</u>		<u>11.2 %</u>	<u>\$ 7,132,473</u>		<u>10.3 %</u>
Net tax capacity for the city, after fiscal disparities and tax increment adjustments		<u>\$ 76,538,750</u>			<u>\$ 65,905,334</u>		

(1) Property values as of January 2 of the preceding year for taxes payable in 2014 and 2005.

City of Maple Grove, Minnesota
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year	Tax Levy for Fiscal Year						Collections within the Fiscal Year of the Levy			Delinquent Tax Collections in Subsequent Fiscal Years of the Levy		Total Collections to Date	
	Tax Levy ¹	Fiscal Year Adjustments	Adjusted Tax Levy	Subsequent Years Adjustments		Total Adjusted Tax Levy	Tax Collections	% of Adjusted Tax Levy	Fiscal Years	of the Levy	Collections	Total Tax	% of Total Adjusted Tax Levy
2005	\$ 20,119	\$ (56)	\$ 20,063	\$ (86)	\$ 19,977	\$ 19,896	99.2	81	\$ 19,977	100.0			
2006	21,806	(13)	21,793	(70)	21,723	21,502	98.7	221	21,723	100.0			
2007	24,001	(70)	23,931	(93)	23,838	23,511	98.2	327	23,838	100.0			
2008	26,014	(109)	25,905	(132)	25,773	25,459	98.3	314	25,773	100.0			
2009	28,009	(253)	27,756	(224)	27,532	27,231	98.1	301	27,532	100.0			
2010	28,843	(102)	28,741	(255)	28,486	28,439	98.9	36	28,475	100.0			
2011	30,401	(72)	30,329	(368)	29,961	30,085	99.2	(147)	29,938	99.9			
2012	31,337	(54)	31,283	(298)	30,985	30,975	99.0	(38)	30,937	99.8			
2013	31,778	(14)	31,764	(121)	31,643	31,557	99.3	22	31,579	99.8			
2014	32,493	(38)	32,455	0	32,455	32,325	99.6	0	32,325	99.6			

¹ Includes HRA tax levy

City of Maple Grove, Minnesota
Special Assessment Levies and Collections
Last Ten Fiscal Years
(amounts in thousands)

Fiscal Year	Current Fiscal Year Special Assessment Levy	Collections within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Fiscal Years of the Levy	Total Collections to Date % of Total			Prepayments	Special Assessment Levied
		Current Fiscal Year Collections	Special Assessment Levy		Total Tax Collections	Special Assessment Levy	%		
2005	\$ 6,317	\$ 6,041	95.6	\$ 276	\$ 6,317	100.0	%	\$ 10,504	\$ 14,120
2006	6,548	6,211	94.9	337	6,548	100.0		21,030	88,508
2007	11,126	10,652	95.7	470	11,122	100.0		15,916	39,847
2008	12,602	11,066	87.8	1,531	12,597	100.0		7,186	20,003
2009	14,323	12,481	87.1	1,836	14,317	100.0		9,528	10,001
2010	12,527	11,933	95.3	587	12,520	99.9		7,815	6,436
2011	10,670	10,471	98.1	191	10,662	99.9		4,338	6,357
2012	9,874	9,742	98.7	79	9,821	99.5		5,566	7,380
2013	9,815	9,695	98.8	63	9,758	99.4		12,358	12,228
2014	7,643	7,539	98.6	0	7,539	98.6		9,616	12,190

City of Maple Grove, Minnesota
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(amounts in thousands, except per capita amount)

Fiscal Year	Governmental Activities						Business-type Activities		
	Tax Increment Bonds ¹	Special Assessment Bonds ¹	Road Reconstruction Bonds ¹	HRA Housing Bonds ¹	General Obligation Bonds ¹	Loans	Revenue Bonds ¹	Total Primary Government	Percentage of Personal Income ²
2005	\$ 383	\$ 22,601	\$ 28,678	\$ 3,432	\$ 18,305	\$ 1,002	\$ 15,759	\$ 90,160	4.35 %
2006	289	66,693	29,881	3,207	16,815	1,002	14,024	131,911	6.07
2007	194	59,373	27,892	2,978	15,751	1,097	12,242	119,527	5.32
2008	100	53,705	30,119	2,734	14,804	1,197	10,798	113,457	5.04
2009	-	51,121	32,319	2,484	13,817	1,297	9,310	110,348	4.62
2010	-	48,498	37,508	4,220	26,133	1,387	7,771	125,517	5.18
2011	-	45,748	39,118	1,972	25,107	1,387	6,209	119,541	5.01
2012	-	42,914	42,222	1,660	23,235	1,573	4,564	116,168	4.47
2013	-	73,554	43,885	1,347	38,540	1,573	2,314	161,213	5.91
2014	-	66,712	34,296	1,025	25,659	1,573	-	129,265	4.58

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Bonds net of discounts, premiums and deferred refunding costs.

² See the Schedule of Demographic and Economic Statistics on page 122 for personal income and population data.

City of Maple Grove, Minnesota
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds ¹	Amounts Available in Debt Service Fund	Net Bonded Debt	Percentage of Estimated Taxable Value ² of Property	Per Capita ³
2005	\$ 18,305	\$ 3,233	\$ 15,072	0.28 %	\$ 258
2006	16,815	1,306	15,509	0.25	265
2007	15,751	1,502	14,249	0.21	240
2008	14,804	1,222	13,582	0.18	227
2009	13,817	1,252	12,565	0.15	201
2010	26,133	1,334	24,799	0.30	403
2011	25,107	1,285	23,822	0.30	382
2012	23,235	1,443	21,792	0.29	341
2013	38,540	18,786	19,754	0.27	310
2014	25,659	7,762	17,897	0.25	274

¹ Excludes general obligation road reconstruction bonds which are supported by special assessments.

² See the Schedule of Assessed Value/Tax Capacity and Estimated Market Value of Taxable Property on page 112 for property value data.

³ Population data can be found in the Schedule of Demographic and Economic Statistics on page 122.

City of Maple Grove, Minnesota
Direct and Overlapping Governmental Activities Debt
December 31, 2014
(amounts in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percent Applicable to Maple Grove ¹</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Governmental Units:			
Hennepin County	\$ 753,267	5.72 %	\$ 43,087
School District #279	76,943	54.64	42,042
School District #284	173,945	5.72	9,950
Metropolitan Council	93,954	2.93	2,753
Hennepin Parks	52,209	7.79	4,067
Hennepin Regional Rail Road	35,200	7.79	<u>2,742</u>
Total Overlapping Debt			<u>104,641</u>
City of Maple Grove Direct Debt			<u>129,265</u>
Total Direct and Overlapping Debt			<u><u>\$ 233,906</u></u>

Sources: Assessed value data used for percent applicable to the City and debt outstanding for overlapping governmental units provided by the County.

¹ The percent of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

City of Maple Grove, Minnesota
Legal Debt Margin Information
Last Ten Fiscal Years

(amounts in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit ²	\$ 121,065	\$ 134,627	\$ 149,225	\$ 244,712	\$ 248,091	\$ 237,908	\$ 225,781	\$ 220,745	\$ 207,711	\$ 209,935
Total net direct applicable to limit	16,234	15,413	25,218	13,633	12,638	25,075	23,872	23,396	21,327	19,470
Legal debt margin	104,831	119,214	124,007	231,079	235,453	212,833	201,909	197,349	186,384	190,464
Total net debt applicable to the limit as a percentage of debt limit	13.41%	11.45%	16.90%	5.57%	5.09%	10.54%	10.57%	10.60%	10.27%	9.27%

Legal Debt margin Calculation for Fiscal Year 2014

Estimated market value	\$ 6,997,821
Debt limit (3% of estimated market value)	209,935
Amount of debt applicable to debt limit	
Total bonded debt ¹	129,265
Less debt not subject to debt limit:	
Amount available for retirement of general obligation bonds	(7,762)
Special assessment bonds	(66,712)
Road reconstruction bonds	(34,296)
Housing bonds	(1,025)
Total net direct applicable to limit	19,470
Legal debt margin	\$ 190,464

¹ Does not include water revenue bonds.

² State statutes increased debt limit from 2% to 3% in 2008.

City of Maple Grove, Minnesota
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts in thousands)

Water Revenue Bonds						HRA Housing Bonds								
Fiscal Year	Revenues ¹	Operating Expenses ²	Net Available Revenue		Debt Service		Fiscal Year	Revenues ³	Operating Expenses	Net Available Revenue		Debt Service		Coverage
			\$	\$	Principal	Interest				\$	\$	Principal	Interest	
2005	5,385	2,334	\$	3,051	\$	1,575	\$	756	334	\$	422	\$	225	120
2006	6,415	2,539		3,876		1,735		779	325		454		230	129
2007	7,537	2,757		4,780		1,775		783	304		479		235	136
2008	6,138	3,105		3,033		1,435		779	293		486		250	135
2009	5,286	2,729		2,557		1,480		762	275		487		255	136
2010	5,562	2,785		2,777		1,530		763	318		445		270	122
2011	5,980	3,020		2,960		1,585		774	268		506		280	148
2012	6,483	4,157		2,326		1,645		771	268		503		320	145
2013	5,542	3,371		2,171		2,250		715	413		302		320	088
2014	5,817	3,879		1,938		2,315		740	318		422		330	120

Road Reconstruction Bonds					Special Assessment Bonds					
Fiscal Year	Revenues ⁴	City Share ⁵	Debt Service		Coverage	Fiscal Year	Revenues ⁴	Debt Service		Coverage
	\$	\$	Principal	Interest		\$	\$	Principal	Interest	
2005	1,184	431	885	1,069	0.83	2005	1,756	3,140	703	0.46
2006	1,458	835	1,040	1,040	1.10	2006	579	1,010	598	0.36
2007	1,753	965	1,245	1,068	1.18	2007	4,876	1,020	2,559	1.36
2008	1,996	1,028	1,365	1,141	1.21	2008	3,940	1,600	2,512	0.96
2009	2,233	1,305	1,495	1,166	1.33	2009	4,644	2,500	2,411	0.95
2010	1,853	1,350	1,700	1,244	1.09	2010	3,615	2,540	2,306	0.75
2011	2,163	1,375	1,815	1,361	1.11	2011	3,689	1,755	2,198	0.93
2012	2,361	1,405	2,050	1,310	1.12	2012	2,939	2,750	2,086	0.61
2013	2,916	1,325	2,270	1,113	1.25	2013	8,512	2,625	1,945	1.86
2014	2,137	1,375	2,620	1,123	0.94	2014	2,578	2,700	1,767	0.58

¹ Revenues includes water revenues, interest earnings and connection fees.

² Operating expenses excludes depreciation.

³ Revenues includes rents and interest earnings.

⁴ Revenues includes special assessments and interest earnings.

⁵ Transfers from road reconstruction fund for City's share of debt service.

***City of Maple Grove, Minnesota
Demographic and Economic Statistics
Last Ten Fiscal Years***

<u>Year</u>	<u>Population¹</u>	<u>Personal Income (amounts in thousands)</u>	<u>Per Capita Income²</u>	<u>Median Age²</u>	<u>School Enrollment³</u>	<u>Unemployment Rate⁴</u>
2005	58,420	\$ 2,071,748	\$ 36,956	36.2	9,655	2.9 %
2006	58,491	2,173,292	37,156	36.5	9,627	2.9
2007	59,458	2,245,550	37,767	36.5	9,638	3.4
2008	59,932	2,252,065	37,577	36.8	9,360	4.2
2009	62,660	2,385,967	38,078	37.0	9,229	6.5
2010	61,567	2,422,415	39,346	37.2	9,350	6.0
2011	62,436	2,384,620	38,301	35.3	9,374	5.2
2012	63,928	2,596,691	40,619	38.1	8,529	4.6
2013	63,746	2,730,050	42,827	38.2	8,360	4.2
2014	65,218	2,819,700	43,235	38.3	8,313	3.3

Sources:

¹ Population figures are estimated as of April 1st of that year by the Metropolitan Council. The 2010 population is the Federal Census.

² Claritas

³ Osseo School District No. 279

⁴ Minnesota Department of Employment and Economic Development

***City of Maple Grove, Minnesota
Principal Employers
Current Year and Nine Years Ago***

Taxpayer	2014			2005		
	Employees ²	Rank	% of Total City Employment	Employees ²	Rank	% of Total City Employment
Independent School District #279	3,694	1	9.8 %	3,000	1	8.3 %
Boston Scientific/SciMed	3,000	2	7.9	2,913	2	8.1
United Parcel Service	700	3	1.8	910	3	2.5
Upsher-Smith Laboratories	700	3	1.8			
RR Donnelley & Sons	480	5	1.3			
Sterilmed	385	6	1.0			
Wal Mart/Sams Club	350	7	0.9	300	7	0.8
City of Maple Grove	321	8	0.8	300	7	0.8
Minneapolis Auto Auction	278	9	0.7			
Costco	270	10	0.7			
Banta Catalog Minneapolis				650	4	1.8
Minneapolis Auto Auction				500	5	1.4
Data Recognition Corporation				390	6	1.1
Gannett Offset				300	7	0.8
Tiller Corporation				262	10	0.7
Total	<u>10,178</u>		<u>26.9 %</u>	<u>9,525</u>		<u>26.4 %</u>
Total Employment ¹	<u>37,879</u>			<u>36,147</u>		
Total Labor Force ¹	<u>39,166</u>			<u>37,219</u>		
Unemployment Rate ¹	<u>3.3%</u>			<u>2.9%</u>		

¹ Minnesota Department of Employment and Economic Development

² City's Financial Advisor Springsted Inc

City of Maple Grove, Minnesota
Full-time Equivalent City Employees by Function
Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Administration	5	5	5	6	6	6	6	6	6	6
Human resources	3	3	3	3	3	3	3	3	3	3
Finance	9 4/5	9 4/5	9 4/5	9 4/5	9 4/5	9 4/5	9 4/5	9 4/5	9 4/5	9 1/5
Assessing	9	9	9	9	9	9	9	9	9	9
Information systems	6	6	6	6	6	6	6	6	6	6
Government buildings	2	2	2	2	2	2	2	2	3	3
Community and economic development	8	8	8	7	6	6	6	6	6	6
Public safety										
Building inspections	16	16	16	16	16	16	16	16	16 1/3	16 1/3
Police										
Officers	57	60	62	64	64	64	64	64	64	64
Civilians	16	16	16	16	16	16	16	16	16	16
Fire										
Officers	5	5	6	6	6	6	6	6	6	6
Inspectors	3	3	3	3	3	3	3	3	3	3
Civilians	2	2	2	2	2	2	2	2	1 3/4	1 3/4
Public works										
Engineering	15	15	15	15	15	15	15	15	14	14
Streets	18	18	18	19	19	19	19	19	20	20
Parks and recreation	30	30 1/4	30 1/4	30 1/4	30 1/4	30 2/3	30 2/3	30 2/3	30 2/3	30 2/3
Transit	1	1	1	1	1	1	1	1	1	1
Water and sewer	13	13	13	14	14	14	14	14	14	14
Community center	10 3/4	10 3/4	10 3/4	10 3/4	10 3/4	10 1/2	10 1/2	10 1/2	10 1/2	10 1/2
Central equipment	6	5	5	5	5	5	5	6	6	6
Total full-time equivalent employees ¹	235 5/9	237 4/5	240 4/5	244 4/5	243 4/5	244	244	245	246	245 2/5

¹ Employees includes full and part-time benefit earning employees, excludes seasonal and temporary employees.

Source: Human Resources Department

City of Maple Grove, Minnesota
Operating Indicators by Function
Last Ten Fiscal Years

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Government activities										
Bond rating	Aal	Aal	Aal	Aal	AAA	AAA	AAA	AAA	AAA	AAA
Number of appraisals completed	7,384	5,491	5,848	6,139	5,705	6,925	6,008	6,141	5,931	6,091
Votes cast		26,562		36,780		26,859		38,967		25,405
Public safety										
Police										
Calls for service	60,671	60,594	58,072	49,294	51,129	54,104	50,569	47,983	49,210	44,700
Cases	19,136	19,077	19,077	18,259	19,763	19,629	19,845	19,852	19,638	17,850
Citations/Written Warnings	6,661	5,880	7,367	7,028	8,195	7,511	6,305	6,175	4,554	4,053
Fire										
Number of emergency calls	697	603	545	491	229	301	252	264	230	213
Number of non-emergency calls	233	300	234	510	651	662	708	631	587	672
Building Inspections										
Number of residential permits	3,067	6,186	3,162	6,125	3,476	2,486	2,345	2,116	1,947	2,081
Number of commercial permits	221	231	192	185	177	169	181	158	163	172
Number of mechanical permits	6,265	6,739	6,816	5,842	5,019	6,385	5,889	5,841	6,349	8,575
Public works										
Sealcoating (miles)	27	24	36	19	31	35	35	31	31	30
Street reconstruction (miles)	5	4	8	8	10	5	7	7	6	3
Recyclables collected (tons)	5,922	6,017	6,010	5,976	6,571	6,730	6,697	6,514	6,509	6,480
Parks and recreation										
Recreation program participants	39,105	38,326	37,893	35,375	35,634	46,211	47,300	49,233	56,777	51,200
Miles of trails	193	198	213	221	232	239	248	255	272	267
Transit										
Passengers	507,904	598,397	680,198	807,437	756,592	752,608	801,230	827,673	836,443	833,098
Service hours	19,414	21,529	24,403	26,975	27,852	28,025	29,230	29,249	29,508	29,829
Service miles	435,577	465,245	498,800	574,485	594,280	604,472	623,379	632,050	653,100	648,317
Water & Sewer										
Utility accounts	19,482	19,990	20,045	20,587	20,942	21,224	21,470	21,548	21,935	21,982
Water distribution repairs	54	43	34	49	61	46	66	60	99	116
Sewer distribution repairs	4	4	3	3	4	2	1	4	6	6
Average daily flow (MG - millions of gallons)	6.5	4.7	5.1	5.1	4.7	5.2	4.4	4.6	4.7	5.2
Average number of gallons pumped per day (MG)	8.4	9.6	10.3	9.7	10.2	9.3	9.3	10.4	9.0	9.0
Community Center										
Community Center usage (people)	745,906	791,550	832,222	788,962	811,911	835,060	817,393	864,199	860,315	837,760

Sources: Various City of Maple Grove departments

*Capital Asset Statistics by Function
Last Ten Fiscal Years*

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community and economic development										
Senior housing rental units	88	88	88	88	88	88	88	88	88	88
Scattered-site rental units	17	19	21	23	25	26	27	28	28	28
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	20	20	20	20	20	20	20	20	20	20
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Public works										
Streets (miles) - City	260	271	275	277	279	279	280	281	283	284
Streets (miles) - County	33	33	33	33	33	33	33	33	33	33
Streets (miles) - State	13	13	13	13	13	13	15	15	15	15
Lift stations - Storm sewer	5	5	5	5	5	5	5	5	5	5
Street lights	2,726	2,821	2,912	3,115	2,899	2,927	3,883	3,904	3,934	3,224
Parks and recreation										
City parks acreage	1,326	1,343	1,424	1,424	1,424	1,424	1,437	1,453	1,453	1,494
Regional parks acreage	1,836	1,747	1,827	1,827	1,827	1,847	1,847	1,847	1,847	1,847
Forest preservation acreage	258	258	258	255	255	255	255	255	255	255
Parks										
Park facilities										
Hockey rinks	12	12	12	12	12	12	12	12	12	12
Pleasure skating rinks	17	17	17	17	17	17	17	17	17	12
Tennis courts	45	45	45	45	45	45	45	45	45	41
Multi-use ballfields	53	53	58	58	58	58	58	58	52	52
Baseball fields	10	10	12	12	12	12	12	12	13	13
Football/soccer fields	18	18	20	20	20	20	22	22	23	23
Basketball/surfaced courts	31	31	31	31	31	31	31	31	32	32
Horseshoe courts	10	10	10	10	10	10	10	10	10	10
Swimming beach	1	1	1	1	1	1	1	1	1	1
Bandshell	-	-	-	-	-	-	-	-	-	-
Inflatable Sports Dome	-	-	-	-	-	-	-	-	-	-
Permanent park buildings	13	13	13	13	14	14	14	14	16	14
Playgrounds	48	48	48	48	48	48	48	48	50	50
Picnic grounds	4	4	4	4	4	4	4	4	4	4
Trails (miles) - City	193	198	205	206	206	238	243	265	276	276
Trails (miles) - County	23	23	24	24	24	26	26	26	26	31
Transit										
Transit stations	1	1	1	1	1	2	2	2	2	2
Water										
Water mains (miles)	300	308	318	320	322	323	325	328	330	331
Fire hydrants	2,880	3,000	3,035	3,142	3,160	3,174	3,270	3,528	3,612	3,945
Wells	11	11	13	13	13	13	13	13	13	13
Water towers	2	2	2	2	2	2	2	2	2	2
Reservoirs	2	3	3	3	3	3	3	3	3	3
Storage capacity	10.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5
Sewer										
Sewer mains (miles)	256	263	268	270	271	272	274	275	277	278
Lift stations - sanitary sewers	16	16	16	16	16	16	16	16	16	16

Source: Various City Departments